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RECEIVED

FEB 15 1994

HUB LAW OFFICES

9
10 SUPERIOR COURT OF THE STATE OF CALIFORNIA

11 FOR THE COUNTY OF LOS ANGELES

12 CHURCH OF SCIENTOLOGY	) CASE NO. BC 084642
INTERNATIONAL, a California not-)
13 for-profit religious corporation,	) NOTICE OF MOTION AND MOTION
	) TO VACATE STAY OF TRIAL
14	) PROCEEDINGS; MEMORANDUM OF
Plaintiff,	) POINTS AND AUTHORITIES IN
15	) SUPPORT THEREOF
vs.)
16)
	) DATE: March 14, 1994
17 GERALD ARMSTRONG; THE GERALD	) TIME: 8:30 a.m.
ARMSTRONG CORPORATION, a	) DEPT: 30
18 California for-profit corporation;)
DOES 1 through 25, inclusive,	) DISCOVERY CUT-OFF: None
19	) MOTION CUT-OFF: None
Defendants.	) TRIAL DATE: Vacated
20)

21
22 TO ALL PARTIES AND THEIR COUNSEL OF RECORD:

23 PLEASE TAKE NOTICE that on March 14, 1994 at 8:30 a.m., or
24 as soon thereafter as the matter may be heard in Department 30 of
25 the Los Angeles Superior Court, located at 111 N. Hill Street,
26 Los Angeles, California 90012, plaintiff CHURCH OF SCIENTOLOGY
27 INTERNATIONAL ("CSI") will and hereby does move the Court to
28 vacate its order of October 6, 1993, staying pre-trial

1 proceedings herein.

2 As grounds for this motion, plaintiff states that: (1)
3 defendant has continued to breach the Agreement which forms the
4 basis for the complaint herein, despite the pending actions and
5 despite the injunction issued in consolidated case No. BC 052395
6 ("the First Breach Case"); (2) this action has been consolidated
7 into the First Breach Case and stayed, yet this case requires
8 both amendment to the pleadings and discovery to place it in the
9 same trial-readiness posture as the First Breach Case; (3) the
10 stay of the case is based on an appeal of a preliminary
11 injunction, which addresses only issues peripheral to most of the
12 complaint in this case, which has been fully briefed for nearly a
13 year, and for which oral argument has yet to be set.

14 This motion is based on this Notice of Motion and Motion,
15 the accompanying Memorandum of Points and Authorities, the file
16 in this matter and such other and further evidence as may
17 properly come before this Court at the hearing on this matter.

18 Dated: February 9, 1994

Respectfully submitted,

19 Andrew H. Wilson
20 WILSON, RYAN & CAMPILONGO

21 BOWLES & MOXON

22 By: 
23 Laurie J. Bartilson

24 Attorneys for Plaintiff
25 CHURCH OF SCIENTOLOGY
26 INTERNATIONAL
27
28

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I. INTRODUCTION

Plaintiff Church of Scientology International ("the Church") seeks to vacate a stay of the proceedings in this case in order to get this case, filed in July, 1993, into the same trial-readiness posture as its consolidated companion case, Church of Scientology International v. Gerald Armstrong, et al., LASC No. BC 052395 ("the First Breach Case"). Changed circumstances between the parties mandate that the stay be lifted.

The basic issues in this case are straightforward: the Church seeks to recover damages for breaches of a settlement agreement which it made with Gerald Armstrong in 1986 and for which it paid over half a million dollars in consideration ("the Agreement"). In February, 1992, the Church filed the First Breach Case because of Armstrong's repeated breaches of the settlement agreement. When Armstrong continued to breach the Agreement after the First Breach Case had been filed, and in the face of a preliminary injunction prohibiting Armstrong from violating certain stated provisions of the Agreement, the Church, on July 8, 1993, filed the complaint in the instant action ("the Second Breach Case"). Before any discovery could be completed in the Second Breach Case, the case was ordered consolidated into the First Breach Case (in which summary judgment motions were pending) and stayed [Ex. A].

Armstrong has created his present position in this case by capitalizing on a stay which he obtained in the First Breach Case. There, Armstrong appealed from the order entering the injunction, and persuaded the Court to stay trial proceedings pending a

1 determination of that appeal.¹

2 With all proceedings placed on hold, Armstrong has continued
3 to violate the Agreement. Obviously emboldened by the Court's
4 temporary passivity, Armstrong has now formed a corporation for the
5 express purpose of aiding would-be and extant civil litigants
6 against the Church. With the aid of electronic wizardry, Armstrong
7 has created a "computer network" which will permit him to breach
8 the Agreement thousands of times with the push of a single button.
9 Accordingly, the Church desires to (1) amend the complaint to
10 include Armstrong's latest breaches and (2) obtain and complete
11 discovery in this action, so that it may be tried easily and
12 simultaneously with the First Breach Case.² The magnitude of
13 Armstrong's latest breaches makes prompt resolution of this case a
14 priority, and thus requires a review of the stay imposed on this
15 action. Armstrong has managed to create a scenario in which he can
16 avoid any immediate penalty for violating the injunction, in part,
17 by creating the impression that the entirety of both cases are
18 subject to the appeal. This litigation, however, involves numerous
19 issues which are not addressed in the preliminary injunction, which
20 are not subject to the order from which the appeal was taken, and
21 which need not and should not be stayed.

22 Code of Civil Procedure Section 916 does not require a stay of
23 all proceedings where only a partial appeal is taken. The "trial
24

25 ¹ All briefing to the Court of Appeal was completed on May 15,
26 1993. However, the Court of Appeal has not yet set any date for
oral argument.

27 ² Discovery is substantially complete in the First Breach Case,
28 with the exception of some refusals by defendant to comply with the
Court's discovery orders, which may still require resolution.

1 court may proceed upon any other matter embraced in the action and
2 not affected by the judgment or order appealed from." Cal.Code
3 Civ. Proc. § 916(a).

4 Therefore, the stay of proceedings in the trial court should
5 be vacated for at least the following reasons:

- 6 (1) Armstrong's latest breaches occurred after the stay was
7 imposed. They are serious, continuing and highly
8 injurious to the Church;
- 9 (2) The Second Breach Case has been consolidated into the
10 First Breach Case and stayed, yet the injunction was
11 issued only in the First Breach Case, and the Second
12 Breach Case requires both amendment to the pleadings and
13 discovery to place it in the same trial-readiness posture
14 as the First Breach Case;
- 15 (3) The order on injunction affects issues which are
16 severable from the issues of the Second Breach Case;
- 17 (4) The injunction was entered more than one and a half years
18 ago, yet no date has been set for a hearing on the appeal
19 of the injunction.

20 **II. STATEMENT OF FACTS**

21 **A. The Agreement**

22 In December 1986, the Church and Armstrong entered into the
23 Agreement. The bargain which the Church sought to obtain from the
24 settlement agreement was salutary: a cessation of all litigation,
25 which included Armstrong's promise to refrain from encouraging and
26 aiding others in litigating against the Church; Armstrong's return
27 of private documents which he had removed from the Church; and a
28 discontinuation of his public attacks and discussions of purported

1 experiences with Scientology.³ In consideration, Armstrong was
2 paid a substantial sum of money.

3 Despite the substantial remuneration which the Church gave to
4 Armstrong in reliance on his promises, Armstrong failed to adhere
5 to the provisions of the Agreement and openly embarked on a course
6 of conduct designed to promote litigation against the Church and to
7 give aid and assistance to the Church's litigation adversaries.
8 Further, Armstrong repeatedly violated specific portions of the
9 Agreement which required him to refrain from discussing his alleged
10 experiences in and with Scientology. The consolidated actions
11 arose as a result of those breaches.

12 **B. The Preliminary Injunction in the First Breach Case**

13 Initially, the Church sought not only to obtain damages from
14 Armstrong for his past breaches, but also to restrain Armstrong
15 from committing further breaches. After extensive proceedings and
16 oral argument before the Honorable Ronald M. Sohigian, on May 28,
17 1992, the Court issued an order preliminarily enjoining Armstrong
18 from volunteering to assist any person (other than a governmental
19 entity) "intending to make, intending to press, intending to
20 litigate or intending to arbitrate a claim against" the persons
21 referred to in the 1986 settlement agreement. (See Exhibit B
22 attached hereto.) The injunction also prevented Armstrong from
23 "voluntarily assisting any person (not a governmental organ or
24 entity) arbitrating or litigating a claim" against the Church, as

25 ³ Prior to the settlement agreement, Armstrong had engaged in
26 numerous public attacks on the Church and had stirred up
27 unwarranted litigation. Therefore a primary incentive of the
28 Church in making the settlement was to obtain Armstrong's agreement
to discontinue fomenting litigation and to refrain from undertaking
efforts to discredit the Church.

1 referred to in the 1986 settlement agreement.

2 After the entry of the injunction, Armstrong persisted in
3 committing additional acts many of which were not only in breach of
4 the Agreement, but also violations of the injunction.⁴ In June,
5 1992, Armstrong proclaimed: "No court can order [me to stop aiding
6 other litigants]. They're going to have to kill me." (Exhibit C,
7 Deposition of Gerald Armstrong, June 24, 1992, p. 124.)

8 Because Armstrong not only continued to violate the injunction
9 but also plainly and repeatedly stated his intention to disregard
10 it,⁵ the Church sought an order to show cause why Armstrong should
11 not be held in contempt. On December 31, 1992, Judge Sohigian
12 issued an Order to Show Cause re Contempt, which was set for
13 hearing before Judge Diane Wayne in Department 86.

14
15 ⁴ As discussed hereinafter, Armstrong failed to obtain a stay of
16 the Court's prohibitory injunction, and the injunction therefore
17 remains in effect. A defendant-appellant must comply with a
18 prohibitory injunction unless he or she obtains a writ of
19 supersedeas or stay order from the appellate court. Agricultural
Labor Relations Board v. Tex-Cal Land Management, Inc. (1987) 43
Cal.3rd 696, 709, 238 Cal.Rptr. 780. Defendant has failed to
obtain either a writ or a stay order from the appellate court, so
the injunction remains in force.

20 ⁵ Armstrong has also given written statements of his intentions
21 to ignore Judge Sohigian's order. On December 22, 1992, Armstrong
22 threatened to travel to South Africa to testify against the Church
and to assist anyone he could find in opposing the Church, unless
the Church paid him yet another half a million dollars.

23 In this same extortionate writing, Armstrong attacks the
24 integrity of judicial officers of the Court and implies the Court
accepted bribes. He states: "I'm sure you understand that I remain
25 completely confident that no court, other than the odd one your
mercenaries are able to compromise with bucks, babes or bull, will
order me not to defend myself." (Exhibit D, Letter of Gerald
Armstrong, dated December 22, 1992, emphasis added.)

26 In another letter, dated May 3, 1993, Armstrong states that he
27 intends to ignore the prohibitions of the preliminary injunction
and that he is not constrained by Judge Sohigian's ruling.
28 (Exhibit E, Letter dated May 3, 1993.)

1 On March 5, 1993, Judge Wayne heard brief statements regarding
2 the order to show cause but refused to entertain arguments because
3 Armstrong had appealed from the injunction.⁶ At that time Judge
4 Wayne, obviously believing the appeal would be heard in the near
5 future, set another hearing for June 1993. (Ex. F.)

6 On July 26, 1993, however, Judge Wayne entered an order for
7 Armstrong to appear on September 14, 1993, to show cause why he
8 should not be held in contempt of court for violation of the
9 preliminary injunction. (Ex. G.)

10 On September 14, 1993, Judge Wayne continued the September
11 hearing until December 6, 1993. (Ex. H.)

12 On December 3, 1993, Ford Greene, counsel for Armstrong,
13 provided plaintiff with a letter stating that he had been informed
14 by the Court that the order to show cause set for December 6, 1993,
15 would be continued to April 6, 1994. (Ex. I.)

16 By April 6, 1994, Armstrong will have been in continuous
17 violation of the Court's injunction for a period of nearly two
18 years, despite the fact that he never obtained an order staying the
19 injunction. Moreover, for a period of more than five years, he
20 will have been in breach of the settlement agreement he entered
21 with plaintiff after receiving substantial consideration. During
22 this entire period of time Armstrong has knowingly and
23 intentionally acted to cause irreparable harm to plaintiff and has
24 openly stated his intention to defy judicial orders.

25 ///

26 ⁶ Armstrong filed his* notice of appeal on July 23, 1992. All
27 briefs were filed with the Second Appellate District, Division
28 Four, as of May 15, 1993. The Court of Appeal has not set a date
for oral argument.

1 **C. The Initial Stay of The First Breach Case**

2 While Armstrong's appeal of the preliminary injunction was
3 pending, discovery proceeded in the First Breach Case and, on March
4 1, 2, and 3, 1993, the Church filed motions for summary
5 adjudication. Armstrong's response was an ex parte application to
6 stay the proceedings pending the outcome of the appeal, which this
7 Court granted on March 23, 1993. (Ex. J.) The Court made clear
8 that the stay did not include the preliminary injunction. (Ex. K.)

9 **D. The Second Breach Case**

10 With the First Breach Case effectively stayed, and the day of
11 reckoning for contempt of the injunction postponed, Armstrong
12 apparently felt liberated from all duties which the Agreement and
13 the Court's order imposed upon him. In short order, he proceeded
14 to commit at least the following additional breaches of the
15 Agreement:

- 16 1. He continued to provide aid and assistance to attorneys
17 and litigants against the Church in the federal case
18 styled Vicki Aznaran and Richard Aznaran v. Church of
19 Scientology International, et al.;
- 20 2. He attended a convention of the Cult Awareness Network,
21 an anti-religious group whose members advocate the
22 kidnapping and "deprogramming" of persons belonging to
23 groups which they label "cults." While at the
24 convention, Armstrong provided a lengthy videotaped
25 interview to deprogramming specialist Jerry Whitfield,
26 which purportedly contains disclosures by Armstrong of
27 his claimed experiences with Scientology as prohibited by
28 the Agreement;

- 1 3. In addition, while at the CAN convention, Armstrong spoke
2 with approximately fifty (50) people, and willingly
3 disclosed to them his claimed experiences with
4 Scientology;
- 5 4. He sent a letter to more than a dozen individuals or
6 organizations who are (a) engaged in litigation against
7 plaintiff; (b) avowed adversaries of plaintiff; and/or
8 (c) attorneys who represent or have represented litigants
9 and/or adversaries of plaintiff, in which he again
10 disclosed claimed experiences with Scientology;
- 11 5. He provided assistance to attorney Ford Greene on
12 behalf of potential litigants against the Church,
13 Tillie Good and Denise Cantin;
- 14 6. He sought settlement from the Church on behalf of
15 potential litigant against the Church, Ed Roberts;⁷
- 16 7. He executed a declaration on behalf of Larry Wollersheim,
17 a litigant against the Church of Scientology of
18 California, a protected entity;
- 19 8. He spoke about his claimed Scientology experiences at an
20 event at which approximately 30 to 40 people were
21 present, and received monetary compensation for his
22 speech;
- 23 9. He gave interviews to reporters from Newsweek magazine
24 and Entertainment Television, in which he discussed his
25 claimed experiences with Scientology.

27 ⁷ By letter Armstrong demands payment to Mr. Roberts as a pre-
28 condition of ending his campaign of harassing the Church. (Ex. D,
Letter dated December 22, 1992.)

No
Sua sponte

1 The complaint in the Second Breach Case was filed to preserve
2 plaintiff's rights as to these new breaches. No sooner had the
3 Second Breach Case been filed, however, than Armstrong successfully
4 persuaded the Court to stay its activity as well as activity in the
5 First Breach Case.

6 **E. Plaintiff's Need to Amend the Complaint and Commence Discovery**
7 **in the Second Breach Case**

8 Recently, the Church learned that Armstrong has expanded
9 almost exponentially his activities in breach of the Agreement. He
10 has become an officer and director of a Colorado corporation which
11 has the stated purpose of providing a "Scientology investigation"
12 to a network of subscribers and empowering individuals and entities
13 to pursue legal actions against the Church.

14 Specifically, in July, 1993, Armstrong caused the formation of
15 and became a director and officer of a Colorado corporation known
16 as Fight Against Coercive Tactics, Inc. ("FACTI"). One of the
17 avowed purposes of this corporation is to foment civil litigation
18 against the Church, and the other entities and individuals
19 protected by the Agreement. Armstrong formed FACTI specifically to
20 implement Armstrong's plan to foment such litigation. In January,
21 1994, Armstrong, using his new FACTI corporation, sent a mass
22 mailing to an as-yet unascertained number of people, including
23 members of the Scientology faith. (Ex. L.) In the mailing,
24 Armstrong exhorts recipients to bring civil actions against the
25 Church, stating that he is collecting negative information about
26 the plaintiff "to assist ongoing litigation."⁸ (Id. at p. 4.) To

27 ⁸ FACTI's mailings, for example, proclaim its intentions to
28 establish an electronic anti-Scientology library. This library,
(continued...)

Killed
Dismissed

1 further the fomenting of litigation, the mailing contains a list,
2 based on rumor, falsehood and innuendo, of persons supposedly
3 harmed or injured by their belief in the Scientology religion.
4 (Id. at pp. 1-3.) Indeed, Armstrong's "list" has already been used
5 to the Church's detriment by anti-Church litigant Steven Fishman in
6 the case of Church of Scientology International v. Steven Fishman,
7 et al., United States District Court for the Central District of
8 Los Angeles, Case No. 91-6426 HLH (Tx).

9 Under these circumstances, the Church asks for an immediate
10 opportunity to obtain discovery into the extent of Armstrong's
11 activities with FACTI, and to amend its complaint herein to include
12 these new (and apparently continuing) breaches.⁹

13 **F. Efforts to Prevent Armstrong's Continued Breaches of the**
14 **Agreement and Violations of the Injunction**

15 The effect of the combination of orders in these cases has
16 been to deprive plaintiff of a valid remedy to which it is
17 entitled. Armstrong continues to defy the preliminary injunction,
18 and even though he never obtained a stay of the injunction, he has
19 avoided being held in contempt because of the long pendency of the

20 ⁸(...continued)

21 according to FACTI, will include: "Complete copies of all or most
22 briefs in legal cases where major victories or precedents were set
23 against Scientology....", "Witness victim and expert declarations
24 and affidavits..." and "[a] successful actions library that will
25 contain the advice of those individuals who have successfully dealt
26 with Scientology...." FACTI advertises that, "[t]his will include
27 the history of Scientology settlement strategies, particularly the
28 amounts of past known settlements and current settlement offers."
[Ex. M at 2-3.]

25 FACTI boasts of its intention to go "on-line" with Armstrong's
26 confidential information this spring, and its intention to reach
27 computer-users all over the world before the end of 1994. [Ex. N,
28 p. 43-45.]

⁹ Plaintiff has filed concurrently herewith its Motion to Amend
the complaint.

1 appeal of that injunction. At the same time he has managed to stay
2 the remainder of the litigation regarding the underlying settlement
3 agreement.

4 In short, after receiving hundreds of thousands of dollars in
5 exchange for clear enforceable commitments, Armstrong has continued
6 to do exactly as he pleases without regard to those commitments and
7 with open disdain for an order entered by this Court almost two
8 years ago. He has achieved this above-the-law position by
9 distorting the facts and obfuscating the issues so that it is
10 extremely difficult to ascertain the status of the issues in this
11 case.

12 One thing is clear, however--this Court may exercise its
13 discretion to set aside the stay of these proceedings and to allow
14 the litigation to proceed through discovery and to a resolution of
15 basic issues which are not the subject of the appeal, which was
16 taken from the order entering the preliminary injunction in the
17 First Breach Case.

18 **III. IT IS APPROPRIATE FOR THIS COURT TO SET ASIDE THE STAY OF**
19 **THE UNDERLYING LITIGATION BECAUSE THE BASIC ISSUES IN THE**
20 **CASE CAN BE LITIGATED WITHOUT AFFECTING THE PARTIAL**
APPEAL TAKEN FROM THE ORDER ON INJUNCTION IN THE FIRST
BREACH CASE

21 Code of Civil Procedure § 916(a) specifically states that the
22 trial court may proceed upon matters embraced in the action which
23 are not affected by the judgment or order from which the appeal is
24 taken.

25 A litigant may take an appeal from a segregable part of a
26 judgment or order, and a partial appeal does not act to suspend the
27 trial court proceedings pertaining to unappealed portions of the
28 judgment. Green Trees Enterprises, Inc. v. Palm Springs Alpine

1 Estates, Inc. (1967) 66 Cal.2d 782, 787, 59 Cal.Rptr. 141, 144-145;
2 Cal.Rules Ct. 1(a).

3 In Green Trees Enterprises, the trial court entered a judgment
4 which reduced the purchase price of certain real property. The
5 order also granted an injunction preventing foreclosure and awarded
6 damages and costs to plaintiff. An appeal was taken only from the
7 portion of the order which reduced the price of the property. No
8 appeal was taken from the injunction prohibiting foreclosure.
9 Therefore, the appeal did not stay proceedings in the trial court
10 with regard to the injunction.

11 The purpose of staying proceedings in the trial court is
12 simply to protect the appellate court's jurisdiction by preserving
13 the status quo until the appeal is decided and to prevent the trial
14 court from rendering the appeal useless by entering an order which
15 alters the appealed judgment or by conducting proceedings that may
16 affect the judgment on appeal. Betts v. Penkow (1993) 16
17 Cal.App.4th 931, 20 Cal.Rptr.2d 841; In Re Marriage of Horowitz
18 (1984) 159 Cal.App.3d 377, 205 Cal.Rptr. 880.

19 In this case to allow the litigation to proceed, despite the
20 pendency of the appeal of the injunction, would not violate the
21 status quo nor make the appeal futile by altering the order being
22 appealed.

23 Indeed, the appellate court in this case can render a judgment
24 regarding the validity of the injunction and its narrow order
25 prohibiting Armstrong from participating in litigation against the
26 Church, without making a comprehensive determination of the merits
27 of the second Breach Case at all. The appellate court must merely
28 decide whether the Superior Court abused its discretion in entering

1 the injunction in favor of plaintiff.

2 A decision on preliminary injunction "does not determine any
3 of the merits of the controversy." Youngblood v. Wilcox (1989) 207
4 Cal.App.3d 1368, 1372, 255 Cal.Rptr. 527. Despite a determination
5 regarding a preliminary injunction, it is still necessary to have
6 a full hearing at trial in order to adjudicate the ultimate rights
7 in controversy. IT Corporation v. County of Imperial (1983) 35
8 Cal.3d 63, 75-76, 196 Cal.Rptr. 715. Since the injunction here
9 concerns only limited provisions of the settlement agreement, the
10 remaining issues regarding the agreement can be litigated on the
11 merits without affecting the order on injunction.

12 The First Breach Case against Armstrong contains eleven causes
13 of action for breach of contract and a twelfth cause of action for
14 injunctive relief. The twelfth cause of action seeks an injunction
15 to enforce the provisions of the settlement agreement in which
16 Armstrong agreed not to provide assistance in litigation against
17 plaintiff. The injunction issued by Judge Sohigian addresses only
18 these provisions.¹⁰

19 In the Second Breach Case, the complaint against Armstrong
20 contains six causes of action for breach of contract and a seventh
21 cause of action for injunctive relief. No preliminary injunction
22 was sought, although a permanent injunction is requested. Each of
23 the causes of action requests damages for breaches of the
24 Settlement Agreement for disclosures made in violation of the
25 specific terms of the Agreement, or for aid clearly provided by

26
27 ¹⁰ Indeed, because the Agreement contains a severability clause,
28 only a very narrow part of the case is even under consideration
preliminarily.

1 Armstrong to adverse litigants. Most of the claims raised in the
2 second breach case are for breaches by disclosure, for which there
3 is a liquidated damages provision, and which are not part of the
4 appeal at all.

5 Judge Sohigian's order on injunction applies only to the
6 provisions of the settlement agreement regarding Armstrong's
7 voluntary assistance to persons litigating or arbitrating claims
8 against the Church. Further, it dealt with those issues only
9 preliminarily, and on the basis of the limited evidence provided at
10 the time of the preliminary injunction hearing: before any of the
11 breaches alleged in the Second Breach Case occurred. Therefore, it
12 is clear that the order on injunction cannot dispositively decide
13 the underlying merits of the Second Breach Case. The order from
14 which an appeal was taken is thus limited to very narrow issues
15 regarding the provisions of the preliminary injunction and its
16 application to one section of the contractual settlement agreement
17 entered into by Armstrong in 1986.

18 Since these limited provisions are the actual subject of the
19 appeal in the First Breach Case, and since the injunction is
20 limited in its range and effect, no dislodging of the appellate
21 court's jurisdiction would result if this Court allowed the Second
22 Breach Case to be litigated. Indeed, all parties and the Court
23 would benefit from allowing the case to proceed in order to
24 conclude discovery and prepare the case for trial.

25 IV. CONCLUSION

26 Gerald Armstrong has effectively obtained an unwarranted stay
27 of all proceedings in this action and has prevented plaintiff from
28 going forward with discovery even though litigation of the case in

1 chief would create no potential inconsistency with or injury to an
2 order that might ultimately be entered by the Court of Appeal with
3 regard to the preliminary injunction.

4 Code of Civil Procedure § 916(a) allows the trial court to
5 proceed upon any matters embraced in the action and not affected by
6 the judgment from which an appeal is taken. In this, the Second
7 Breach Case, there are many issues regarding violations of the
8 settlement agreement which are not addressed on appeal and were not
9 subject to the Court's order on injunction. Moreover, permitting
10 discovery to proceed will have the salutary effect of ensuring that
11 these consolidated cases may, in fact, be tried together. Under
12 these circumstances, this Court should allow the litigation to
13 proceed so that the basic issues of the breaches of the settlement
14 agreement can be determined and plaintiff can ascertain its
15 entitlement to rights for which it negotiated carefully and paid
16 handsomely.

17 Dated: February 9, 1994

Respectfully submitted,

18 Andrew H. Wilson
19 WILSON, RYAN & CAMPILONGO

20 BOWLES & MOXON

21
22 By: 

Laurie J. Bartilson

23 Attorneys for Plaintiff
24 CHURCH OF SCIENTOLOGY
25 INTERNATIONAL
26
27
28

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

DATE: 10/06/93

DEPT. 30

HONORABLE DAVID HOROWITZ

JUDGE

S. ROBLES

DEPUTY CLERK

HONORABLE

JUDGE PRO TEM

ELECTRONIC RECORDING MONITOR

C. AGUIRRE, CSL

Deputy Sheriff

B. CHARLINE HOWELL

Reporter

8:30 am

BC084642
CHURCH OF SCIENTOLOGY INT'L
VS
GERALD ARMSTRONG, ET AL

R/T BC 052395 (Stayed pending
Outcome of Appeal)

Plaintiff LAURIE J. BARTILSON (x)
Counsel ANDREW H. WILSON (x)

Defendant FORD GREENE (x)
Counsel

NATURE OF PROCEEDINGS:

MOTION OF DEFENDANTS GERALD ARMSTRONG AND THE GERALD
ARMSTRONG CORPORATION TO STRIKE FIRST AMENDED COM-
PLAINT;

The instant action is ordered consolidated into
BC052395, Church of Scientology VS. Armstrong, Gerald
which is pending in this court.

The action, including the Motion to Strike, is stayed
pending ruling from the Court of Appeals.

No Sanctions.

Defendant shall give notice.

SUPERIOR COURT OF CALIFORNIA , COUNTY OF LOS ANGELES

Date: May 28, 1992
 Honorable Ronald M. Sohigian, Judge
 1

M. Cervantes, Deputy Clerk
 None (E.R.M.)

BC 052395

(Parties and Counsel checked if present)

Church of Scientology, International
 vs.

Counsel For
 Plaintiff

Gerald Armstrong, et al.

Counsel For
 Defendant

No Appearances

NATURE OF PROCEEDINGS: RULING ON MATTER TAKEN UNDER SUBMISSION ON MAY 27, 1992

In this matter heretofore taken under submission on May 27, 1992, the court now makes the following ruling.

1 Plaintiff's legal remedies are inadequate insofar as the scope of relief ordered below is concerned, but not otherwise. CCP 526(4) and (5).

2 The threatened acts which are restrained by the order referred to below, but only those threatened acts, would do irreparable harm to plaintiff which could not be compensated by monetary damages. CCP 526(2).

3 On the basis of the instant record, there is a reasonable probability that plaintiff will prevail after trial of this case in the respects restrained by this order. CCP 526(1); cf., San Francisco Newspaper Printing Co., Inc. vs. Superior Court (Miller) (1985) 170 Cal. App. 3d 438.

4 Plaintiff is likely to suffer greater injury from denial of the preliminary injunction the terms of which are set out below than the injury which defendant is likely to suffer if it is granted. See Robbins vs. Superior Court (County of Sacramento) (1985) 38 Cal. 3d 199, 206.

5 The granting of a preliminary injunction in the terms set out below will preserve the status quo pending trial.

SUPERIOR COURT OF CALIFORNIA , COUNTY OF LOS ANGELES

Date: May 28, 1992

Honorable Ronald M. Sohigian, Judge
1aM. Cervantes, Deputy Clerk
None (E.R.M.)

BC 052395

(Parties and Counsel checked if present)

Church of Scientology, International

Counsel For
Plaintiff

vs.

Gerald Armstrong, et al.

Counsel For
Defendant

No Appearances

NATURE OF PROCEEDINGS: RULING ON MATTER TAKEN UNDER SUBMISSION ON MAY 27, 1992

6 Application for preliminary injunction is granted in part, in the following respects only.

Defendant Gerald Armstrong, his agents, and persons acting in concert or conspiracy with him (excluding attorneys at law who are not said defendant's agents or retained by him) are restrained and enjoined during the pendency of this suit pending further order of court from doing directly or indirectly any of the following:

Voluntarily assisting any person (not a governmental organ or entity) intending to make, intending to press, intending to arbitrate, or intending to litigate a claim against the persons referred to in sec. 1 of the "Mutual Release of All Claims and Settlement Agreement" of December, 1986 regarding such claim or regarding pressing, arbitrating, or litigating it.

Voluntarily assisting any person (not a governmental organ or entity) arbitrating or litigating a claim against the persons referred to in sec. 1 of the "Mutual Release of All Claims and Settlement Agreement" of December, 1986.

The court does not intend by the foregoing to prohibit defendant Armstrong from: (a) being reasonably available for the service of subpoenas on him; (b) accepting service of subpoenas on him without physical resistance, obstructive tactics, or flight; (c) testifying fully and fairly in response to properly put questions either in deposition, at trial, or in other legal or arbitration proceedings; (d) properly reporting or disclosing to authorities criminal conduct of the persons referred to in sec. 1 of the "Mutual Release of All Claims and Settlement Agreement" of December, 1986; or (e) engaging in gainful employment rendering clerical or paralegal services not contrary to the terms and conditions of this order.

SUPERIOR COURT OF CALIFORNIA , COUNTY OF LOS ANGELES

Date: May 28, 1992
Honorable Ronald M. Schigian, Judge
1b

M. Cervantes, Deputy Clerk
None (E.R.M.)

BC 052395

(Parties and Counsel checked if present)

Church of Scientology, International

Counsel For
Plaintiff

vs.

Gerald Armstrong, et al.

Counsel For
Defendant

No Appearances

NATURE OF PROCEEDINGS: RULING ON MATTER TAKEN UNDER SUBMISSION ON MAY 27, 1992

The application for preliminary injunction is otherwise denied.

7 The restraints referred to in sec. 6, above, will become effective upon plaintiff's posting an undertaking in the sum of \$70,000 pursuant to CCP 529(a) by 12:00 noon on June 5, 1992.

8 The restraints referred to in sec. 6, above, properly balance and accommodate the policies inherent in: (a) the protectable interests of the parties to this suit; (b) the protectable interests of the public at large; (c) the goal of attaining full and impartial justice through legitimate and properly informed civil and criminal judicial proceedings and arbitrations; (d) the gravity of interest involved in what the record demonstrates defendant might communicate in derogation of the contractual language; and (e) the reasonable interpretation of the "Mutual Release of All Claims and Settlement Agreement" of December, 1986. The fair interpretation of all the cases cited by the parties indicates that this is the correct decisional process. The law appropriately favors settlement agreements. Obviously, one limitation on freedom of contract is "public policy"; in determining what the scope of the public policy limitation on the parties' rights to enforcement of their agreement in the specific factual context of this case, the court has weighed the factors referred to in the first sentence of this section. Litigants have a substantial range of contractual freedom, even to the extent of agreeing not to assert or exercise rights which they might otherwise have. The instant record shows that plaintiff was substantially compensated as an aspect of the agreement, and does not persuasively support defendant's claim of duress or that the issues involved in this preliminary injunction proceeding were precluded by any prior decision.

SUPERIOR COURT OF CALIFORNIA , COUNTY OF LOS ANGELES

Date: May 28, 1992

Honorable Ronald M. Sohigian, Judge
lcM. Cervantes, Deputy Clerk
None (E.R.M.)

BC 052395

(Parties and Counsel checked if present)

Church of Scientology, International

Counsel For
Plaintiff

vs.

Gerald Armstrong, et al.

Counsel For
Defendant

No Appearances

NATURE OF PROCEEDINGS: RULING ON MATTER TAKEN UNDER SUBMISSION ON MAY 27, 1992

9 The court does not dispositively decide the underlying merits of the case except for this preliminary determination. CCP 526(1); Baypoint Mortgage Corp. vs. Crest Premium Real Estate etc. Trust (1985) 168 Cal. App. 3d 818, 823.

10 Plaintiff is ordered give written notice by mail by June 5, 1992, including in that written notice a statement regarding whether plaintiff has or has not posted the undertaking referred to in sec. 7, above, and attaching to that written notice evidence showing that the undertaking has been posted if that is the fact.

DATED: May 28, 1992.

RONALD M. SOHIGIAN

RONALD M. SOHIGIAN
Judge of the Superior Court

A copy of this minute order is sent to counsel via United States mail this date.

1 IN AND FOR THE SUPERIOR COURT
2 FOR THE NORTHERN DISTRICT OF CALIFORNIA

3 --oOo--

4
5 CHURCH OF SCIENTOLOGY
6 INTERNATIONAL, a California
7 not-for-profit religious
8 corporation,

Plaintiff,

9 vs.

Case No. BC 052395

10 GERALD ARMSTRONG; DOES 1
11 through 25, inclusive,

Defendants.
12
13
14
15

16 DEPOSITION OF

17 GERALD ARMSTRONG
18

19 -----
20 Wednesday, June 24, 1992
21
22
23
24

25 REPORTED BY: SUSAN M. SKIGEN, CSR #5829

1 since, since '89.

2 Q. Okay.

3 A. When, I mean, I have, I have absolutely no
4 intention of honoring that settlement agreement. I
5 cannot. I cannot logically. I cannot ethically. I
6 cannot morally. I cannot psychically. I cannot
7 philosophically. I cannot spiritually. I cannot in any
8 way. And it is firmly my intention to not honor it.

9 Q. No matter what a court says?

10 A. No court could order it. They're going to
11 have to kill me.

12 Q. Well, let's just hope we don't have to turn
13 this into a death penalty case.

14 A. Into a what?

15 Q. A death penalty case.

16 A. Right, but you guys would.

17 Q. I'm not the one who stands up and pounds
18 the table and screams at people in this deposition, your
19 lawyer is. If I were to stand up at this deposition and
20 scream at you to shut up, would you consider that to be
21 an act of fair game?

22 A. I consider the whole thing --

23 Q. I know, but if I were to stand up and yell
24 at to you shut up, would you consider that to be fair
25 game?

December 22, 1992

David Miscavige and all other individuals who participate in the control of Scientology
C/O Laurie J. Bartilson, Esquire
Bowles & Moxon
6255 Sunset Blvd., Suite 2000
Los Angeles, CA 90028

Re: Nothling v. Scientology

Dear David and all others involved:

I am writing this to you, and the various copy recipients listed below, because there are certain things it is fair that you know. Although it is the trial in the Nothling case, which, I understand, is set for early February, that has moved me to write at this time, the idea of writing has made addressing a number of other subjects also timely.

You will recall that in June of 1991 when Malcolm Nothling called me and asked me to testify in his case in Johannesburg I wrote to the organization via Eric Lieberman to see if by initiating communication on the subject you might see that there was an answer to your litigation problems different from the one you and your erstwhile leader had been believing in and pursuing as long as any of us can remember.

Mr. Lieberman wrote back, essentially advising me you said stick it in my ear, and that more, not less litigation was going to be the same old solution; and to not expect communication other than the solides of sorts. Copies of Mr. Lieberman's and my letters are enclosed herewith.

I did travel to South Africa in 1991 to testify, as you know, but the trial was postponed on the organization's motion. Now it's set to happen again. Again Mr. Nothling has asked me to testify, again I have agreed, and again I am writing you to see if there is any sense in attempting to unfoment this litigation.

Your public attack line that Gerald Armstrong foments litigation against you is particularly hurtful because of what I have done and continue to do to unfoment litigation. Even my signing of your settlement agreement was, in the face of your intent to hurt me, which fact is settled by the agreement itself, an act only of unfomentation.

You all should take a good hard look at the hurt your practices, certainly your litigation practices, cause in the world. And you don't have to desist in them because of anything I've said. You can knock off those bad practices for any reason you want, including because they don't work and make no sense.

All the decent people, believe me, in your organization want you to get out of the stupid attack-the-attacker business, and they'd salute you for getting the organization out of that silliness, but they're too frightened. You shouldn't frighten good people that way. It's cruel. And any thinking soul knows that you guys are only acting out of fear, so you really are not fooling anyone with your blindness and bluster.

I realize you've put your faith in really bad things, like lies and PR, threats and bullying, and really mean people, like Gene Ingram. And I'm aware that having put your faith in badness for so long, and spent so many millions of dollars to have so many bad lawyers make so many bad decisions and add so much to their brethren's bad name, it can seem impossible to quit. But you must. All it will take is the willingness to unfoment your litigation.

Eugene M. Ingram has done such nasty things to so many people in the service of your organization, you and he should be spanked. His terrible charge at the CAN convention that I have AIDS is heartbreaking, not because I have AIDS, which I don't, but because your pet pit viper personalizes and focuses your organization's institutionalized hatred.

By accusing me of having AIDS, you and Ingram attack not just me, you attack the many people whose lives have been touched by this disease, or for that matter touched by your organization, and you attack yourself. Your similar-veined attacks on other people of good will at the CAN conference, like Father Kent Burtner, has brought your organization to ignomy.

But the target of faith can be rechosen. And that is where I urge sense and unfomentation. Put your faith in what is real, what is true, what can always be depended on. Put your faith in what in people is true, unchanging and ceaselessly loving. Putting your faith in lies, PR, threats, bullying and bullies you will always betray yourself because you put your faith in nothing; and you and every being everywhere have a right to everything that nothing isn't.

Likewise don't put your faith in litigation or your use of the courts to harass. It is possible to be faithful to a higher ideal than wins in court. If you have put your faith in lies, leverage, advantage and bullying to secure a win, you have gained nothing. If you put your faith in truth, hope, charity, love, no matter the courtroom outcome you have everything; that's religion.

Since the 1991 almost trial in the Nothling case the California Court of Appeal issued its opinion in the appeal you took from the Breckenridge decision in Armstrong I, the California Supreme Court denied review, and the Court of Appeal

denied your motion to seal the appellate record. You brought and lost the motion to enforce the settlement agreement before Judge Geernaert in Armstrong I, and then you sued me to enforce it in Armstrong II.

In May Judge Sohigian issued his ruling refusing to enforce the agreement, although enjoining me from testifying unless pursuant to a subpoena. He also ruled that I did not have to not make myself amenable to service of process. I will supply a copy of the Breckenridge decision, the Armstrong opinion and the Sohigian injunction to any of the recipients of this letter upon request.

Because you didn't appeal from the Sohigian injunction, you have accepted it. I believe as well that for a valueless desire for a valueless win at any cost you also accepted his dicta; e.g. "involves abusing people who are weak," "involves techniques of coercion," "a very, very substantial deviation between [your] conduct and standards of ordinary, courteous conduct and standards of ordinary, honest behavior," "be sure you cut the deck," "make sure to count all the chips."

As a result, I consider myself free to do anything anyone can, except testify absent a subpoena. Much of what I am permitted to do I am going to do. I am going to write freely, speak freely, publish, talk to the media, associate freely, and continue, until you put your faith in something more religious than what is bad in jurisprudence, to confront the injustice you bring to court.

In the next month or so I expect to initiate speaking or media events to help pay the enormous costs of this litigation. And I expect to promote my legal position within the publishing industry, because my story and my writings on the subject are literarily and commercially worthy.

I will continue to associate with and befriend all those people I consider you attack unjustly and senselessly. I will make my knowledge and support available to the Cult Awareness Network, a group of people of good will you vilify, in all the litigation you have fomented against them. I will make my knowledge and support available to any Scientologist who is afraid to go anywhere else for understanding, and to the families of Scientologists your organization has estranged. I will even make my knowledge and support available to entities like Time and people like Rich Behar in their defenses from your attacks.

I will, nevertheless, remain available to do whatever I can to unfoment your litigation. I will meet with you, talk with you, help you to find a better solution to your problems. Because of your decision to not have anyone communicate with me, no one from your organization has. I get a little lawyer

contact, lots of PI BS, an OSA hearing or deposition attender, enough psychic skirmishes for an army, but, for the life of me, no real people.

In 1991, fantastically, I was the only person in the world, other than Malcolm Nothling himself, who was willing to testify at his trial. And that was enough reason to go. In February 1993, although at this trial I probably won't be the only person willing to testify, there will still be ample reasons to go, unless the case can be resolved.

I really would rather there was no trial and I really would rather not go. Lord knows this last period has been overwhelming and the litigation behemoth terrifying; and Lord knows I have my own calling, which has nothing to do with your legal problems. So I'm willing to do a lot to unfoment the Nothling litigation, and all the tangled legal webs you've woven. But I sure can't do much if you continue to see legal warfare as the solution to your problems and continue to pay the millions your legal mercenaries say the warfare costs.

I am aware that with enough money to enough lawyers you, the leaders of your organization, can hide yourselves and make your roles in your trumped-up war seem very important. There is no doubt this is desirable, it just isn't fair. The real purpose of your little war is to facilitate your doing something different from Scientology, while all those whom you control must go through the daily grind you say you're above.

I don't fault you for doing something different from Scientology, but I do not find acceptable your holding Scientologists in bondage to your catastrophic cause, enforcing your lie that you have their best interests in mind, robbing their years of youth and vigor, and putting them at risk while you show up at the occasional ribbon cutting ceremony, lunch with lawyers and the like, sucker celebs, run PIs and intel ops, conspire, cheat, lie, steal, bully and destroy. I urge something more creative as a better idea.

Your hardworking staff members and people of good will around the world who have supported you financially and spiritually will not for much longer be fooled by your foolishness and will stop believing your lies. They will speak to each other, they will speak out against your suppression, and they will act to free themselves and their friends. You cannot much longer, as we move societally into the age of wisdom, cynically and sillily intimidate good people with threat and suppress good people with lies.

There is the matter of mitigation of damages which, because you insist your lawyers tell you what you pay them to say, you may not have heard or yet understood. In that by the Sohigian

ruling I am permitted to speak freely, write freely, publish freely, associate freely, when, it could be argued, and you have, that prior to the ruling and pursuant to the settlement agreement I was not so permitted, I have, in your attempt to enforce the agreement, prevailed.

By not appealing the Sohigian ruling you have acquiesced thereto. I am therefore due costs and fees in Armstrong II plus the costs and fees you already owe in your earlier losing and unappealed effort in Armstrong I. But in addition to the fees and costs now owing, and increasing as you protract this already lost litigation, there is the cumulative effect of your legal onslaught which, continuing after the case was lost, if not before, is in every minute malicious.

Gerald Armstrong and The Gerald Armstrong Corporation (TGAC) must also mitigate their damages. I have a duty, therefore, to end this litigation as quickly as possible. Thus I write to so many organizational recipients; thus I canvass to see if within the organization's many parts, all put at risk by their leaders' asininity and mean-spiritedness, there are people of good will who will see sense in what is in their best interest.

That after the Sohigian ruling you sued TGAC (pronounce that Tee-Gee-Ack) is silly and self-destructive. The only thing in the world Gerald Armstrong, individual, is prohibited from doing by the "injunction," is testifying about his Scientology history and knowledge without first accepting the perfunctory subpoena. TGAC only came into existence in 1987, six years after Gerald Armstrong's organization experiences ended, and a year after the Armstrong I litigation "settled."

TGAC cannot testify, with or without subpoena, about any Scientology experiences, because it has had, aside from those which have flowed from your lawsuit, none. Since no one, including TGAC, is prohibited by Sohigian from doing any of the things TGAC actually is capable of doing, it is free to do everything anyone or any other corporation can; and by not appealing the injunction you have so agreed. Thus, having no conceivably legitimate claim against TGAC, you depend on one manufactured from madness, and you must therefore dismiss the mess you've made.

There is also, as mentioned above, the fact that in order to defend myself from your attacks and to fund the defense of the litigation you have fomented I must speak and must publish. I'm sure you understand that I remain completely confident that no court, other than the odd one your mercenaries are able to compromise with bucks, babes or bull, will order me to not defend myself.

I realize you will probably claim to be offended by

everything I've written in this letter. I can't do much about that because you seem to take offense no matter what I say or write, or don't. For, *inter alia*, that reason I haven't said or written it differently. I really don't blame you for being offended and I don't expect you not to be offended; nor will I be offended if you are. I think my position is obvious and I think peace is worth doing something about, even if the fomenters of war are offended. I've used the words I've used because to me they make sense and they're a facet of my craft.

This letter is not really, however you may take it, a complaint nor an attack. It is an effort to unfoment your litigation, into which I have been, albeit for some God-given purpose, drawn. So, neither forgetting nor ignoring Judge Sohigian's admonition not to settle Armstrong II, but still hoping, with my heart crossed, here is my proposal:

1. Settle the Nothling case;
2. Settle with Ed Roberts;
3. Dismiss your complaint against TGAC and Gerald Armstrong;
4. Remove all your bar complaints against Ford Greene;
5. Pay my attorney fees and costs;
6. We will dismiss the cross-complaint and appeal;
7. Cancel the agreement;
8. Return all materials you've stolen from me at any time;
9. Pay me whatever you want, including, but not limited to, nothing.

1. ~~Malcolm~~ Nothling has a claim and he has survived a lot to get to trial. His costs, not much by US litigation standards, must be recognized, and he must be made whole financially, ethically and publicly. I am convinced that his daughter, but for your control of her mother and her life, would enjoy a healthy, loving relationship with her father. Therefore you must do whatever is within your power to reunite them.

2. You know about the Ed Roberts case because Ms. Bartilson interrogated me about my providing assistance to Mr. Roberts in my last series of depositions in Armstrong II, and one of your lawyers, Marcello Di Mauro, in earlier times communicated about him with Ford Greene. Ed Roberts is a friend of mine who

was sucked dry and flat out robbed by your registrars on the way to an up- or downstat week of no consequence to anyone as it turns out, and always does, but Ed.

I have found myself in the silly position of being the only person in the world willing to help Mr. Roberts against your organization. Again, I have no desire to have Mr. Roberts engage you in litigation. In fact his situation can be resolved without your fomenting not only more litigation, but more ill will and silliness. For you it is merely an accounting matter. You ripped Mr. Roberts off; now pay him what is needed to make him whole again.

Mr. Roberts' case of Scientology lies, threats, treachery and thievery, his own money then used to pay your pitiless pettifoggers to prevent him from anything resembling redress, is being played and replayed every day of the year in your orgs. I would think that the three or so million you wasted on your inane USA Today ads to counter Richard Behar's few good pages could have taken care of three hundred Mr. Roberts and done a heap of good.

All your ads did was a heap of bad: more lies, more hate, more embarrassment for Scientologists everywhere, another dead forest, and an uncharitable little delay to your victims before they are made whole. The Ed Roberts case is, in my opinion, the proof of Time's theme: that you are - all of you at the top of your organization - a cult of greed. But worse, you squander your plunder, as witness Toronto, starve the good and fatten your PIs and proctors and their proctologists. And all with the fatuous excuse of a right to defend wrongness and attack rightness because your "religion's" stupidity is, in our courts of law, beyond question.

Anyway I want to have Ed's needs taken care of toot sweet. He probably wouldn't think less of you if you didn't apologize, but I think it's a good idea and sure couldn't hurt.

3. I don't care what order everything is done in. I think whatever is most practical, sensible and ergonomically sound is the way to approach this particular program, which, I'm sure can be wrapped up in a couple of days.

4. This is easy. These Ingram-generated efforts have only served to shine a light on your invidiously scheming enterprise. All your similarly baseless bar complaints against my other lawyer, Michael Flynn, came to nothing. You should learn from the earthworms. Filing no spurious bar complaints whatsoever they demonstrate their superior philosophy.

5. Although they're in the range of, I don't think fees and costs are over \$500,000. Clearly nothing is going to happen

unless you cover my attorneys' fees and costs. To leave me with that indebtedness is unfair and unworkable. You will recall that I made a proposal in 1984, being then scared and weak: pay my lawyers' fees and costs of, I guessed, \$150,000, and I'll quit. You, and in those days, Hubbard, said no way. I, less scared and much stronger, urge you to choose again.

6. Dismissal of the cross-complaint is easy. I'll take care of it.

8. I'm aware this may for a long time remain a pettiness you'd rather not confront. But I can guarantee that if you return my materials - the Hubbard letters manuscript, the Cones, all the other materials you and your PIs have stolen from me over the years, I will not bring criminal charges, and I won't even bring the subject up again.

9. You have to cancel the settlement agreement in order to demonstrate to yourselves that it was the wrong thing in which to put your faith. You will notice that when you cancel the agreement nothing will happen. Yet you will have freed me. And that is what you should make Scientology's only business: freeing people. You will also observe that when you free me you free yourselves; in fact you cannot yourselves be free unless you free me.

Regarding my relationship with you after you cancel the agreement, that is where you must reassert your faith. Have the faith that I will neither say nor write worse things about you if you free me to do so. As you know I can say some pretty pointed things about you now just because you won't cancel that degrading document. Put faith in what occurs in silence. Put faith in the inevitable.

7. You decide. If you think I did a lousy job unfomenting your litigation, pay me zip. Even if it all works for everyone, timing inspired and ideas a Godsend, you don't have to pay me anything. I generally don't refuse what's offered. You know how much I'm worth.

I haven't forgotten Wollersheim, Yanny I & II, the Aznarans, the CAN litigation, claimants all over the place, your government lawsuits, the rest of the settlement signatories, your taxes, nor your image and media distress, and I think it's appropriate to say that I can help you unfoment those problems as well. I would, of course, need half a chance.

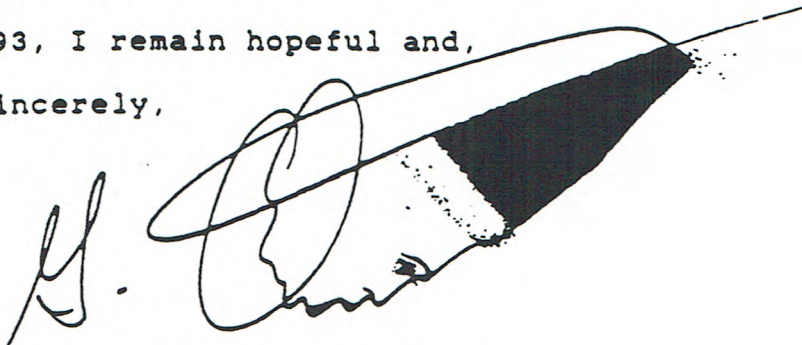
If you look deep in your hearts I believe you'll find you really do not want Scientology's legacy to be one of suppression: suppression of the Constitution, human dignity, truth, religion, justice, even suppression of your own good selves. Wouldn't it be better to be known as the people who ended the madness in

peace and style; a radical recognition of the transcendence of quantum scientology. LRH was Newtonian in his physics and relativistic epistemologically. I like to call one aspect of my philosophy, *inter alia* non-mutual exclusivity.

I believe that everyone will become a person of good will, that everyone already is, has been and will forever be, that there is progress and perfection, hope and reason, that to know who we are we must accept the truth of our relationship to our Creator, that all about us that we made is illusion, that we have reason to be grateful that is so, that our Creator, God, our Father Loves us in the same Love by which He created us and holds us always safe and always loved in that Love, that we, His children, are one and One with Him, that the means by which He is remembered, and hence our relationship, and hence who we are, and hence what we know, is forgiveness, that forgiveness is the recognizing of illusion for what it is, that creation is our nature, and that everything is all there is.

With a wish for peace in 1993, I remain hopeful and,

yours sincerely,

A handwritten signature in black ink, appearing to be 'G. Armstrong', with a large, dark, circular flourish to the right.

Gerald Armstrong
715 Sir Francis Drake Blvd.
San Anselmo, CA 949650
(415)456-8450

:ga

cc: Malcolm Nothling
Ed Roberts
Lawrence Wollersheim
Richard & Vicki Aznaran
Richard Behar
Ford Greene, Esquire
Paul Morantz, Esquire
Joseph A. Yanny, Esquire
Toby L. Plevin, Esquire
Graham E. Berry, Esquire
Stuart Cutler, Esquire
Anthony Laing, Esquire
John C. Elstead, Esquire
Michael J. Flynn, Esquire
Fr. Kent Burtner

Margaret Singer, PhD.
Cult Awareness Network
Daniel A. Leipold, Esquire
Church of Scientology International
Church of Scientology of California
Religious Technology Center
Church of Spiritual Technology
Church of Scientology ASHO
Church of Scientology AOLLA
Founding Church of Scientology of Washington, D.C.
Church of Scientology Flag Service Organization
Church of Scientology of Arizona
Church of Scientology of Los Angeles
Church of Scientology of Stevens Creek
Church of Scientology of Sacramento
Church of Scientology of San Francisco
Church of Scientology of Washington State
Church of Scientology of Boston
Church of Scientology of Portland
Church of Scientology of New York

May 3, 1993

Laurie J. Bartilson, Esquire
Bowles & Moxon
6255 Sunset Boulevard
Suite 2000
Los Angeles, CA 90028

Dear Ms. Bartilson:

This is in response to your fax letter of April 28, 1993.

You are in error in your interpretation of the December 6, 1986 settlement agreement. I did not agree on that date to forgo future media appearances for a substantial sum of money. I agreed on that date to dismiss my action for fraud, intentional infliction of emotional distress, libel, breach of contract, and tortious interference with contract against your organization for, inter alia, a substantial sum of money.

As you know I would not agree on that date to forgo media appearances, to not speak out against your organization's criminal activities, to not publish and to not communicate my experiences inside the organization, for any sum of money. Only when my lawyer assured me that those prohibitions in the settlement agreement were "not worth the paper they're printed on," and after your organization promised to end its antisocial, tortious and criminal activities, did I agree to sign the agreement.

Thus, I agreed to not speak out, to not publish and not do media appearances, for no money whatsoever. Your continuing libel that I so agreed for "a substantial sum of money," or any money at all, is simply part of your "'fair" game doctrine," which here takes the form of what L. Ron Hubbard called a black propaganda campaign to make me appear to have sold out for money; or in your terminology to position me as a whore.

I agreed to not speak, publish or appear in order to give your organization the opportunity it said it needed to change its antisocial ways. Since you did not avail yourselves of this opportunity, but used my peace gesture as an opportunity instead for more fair game, you are finding yourselves having to face the same situation you faced in 1986.

It is exactly your continuing calumny that I sold out for money, in addition to all the other post-settlement attacks by your organization in breach of the settlement agreement, and its reneging on its promise to end fair game and its other antisocial policies and practices directed at innocent individuals, that now brings me to do media appearances on the subject of your organization's fraud, fair game and irreligion.

Your threat that you will subject me to the liquidated

Laurie J. Bartilson

May 3, 1993

Page 2

damages provision of the settlement agreement for appearing on KFOX is obscene. Even its inclusion in the settlement agreement; that is \$50,000.00 per word I write or speak about your organization is obscene. You embarrass all those Scientologists of good will who slave for your organization, whose money you squander, and in whose name you make such hollow and debased threats.

Your threat directed at KFOX that they would become the target of your pathologically litigious organization for inducing me to breach my "contractual obligations," although equally empty, is certainly reflective of the organization's anti-religious nature; that is, its reliance on lies, lawyers, intimidation, and bluster to achieve its unholy ends.

As you know, I am permitted by Judge Sohigian's May 28, 1992 injunction, unappealed by your organization, to make media appearances such as the one scheduled at KFOX. As you also know, Judge Horowitz on March 23, 1993 stayed all proceedings in the case of Church of Scientology International v. Gerald Armstrong, Los Angeles Superior Court Case No. BC 052395. This has the effect as well of staying the injunction; therefore I am not constrained even by the narrow prohibitions of Judge Sohigian's ruling. And therefore I am as free as any other person in this free nation to speak, write and appear as I am so guided.

And I urge you therefore to communicate to KFOX and withdraw your threat of litigation. I also urge you to rethink your attack lines on me and the other litigants who settled our claims against you. To position us as whores, when we attempted to free you from your past is really silly because it only frees us to say, as graphically as literature allows, what that past was that we would free you from, but which your organization, by its actions, insists we bring to the light of truth.

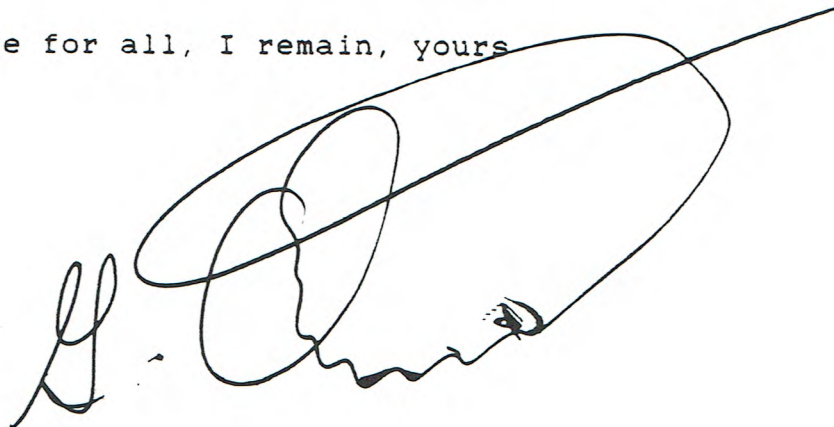
There is no denying that there is a great deal of public interest in your organization and its antisocial practices in which I have a great deal of experience and expertise. Once your organization repudiates its antisocial practices, of course, I will have nothing more to say about them. In the meantime I will try with all my might to do what I am called to do; and an aspect of that is to speak out against your irreligious organization's threats to religion.

Religion will not be threatened. Do not waste your time. There is wisdom. It is not, however, in fair game, in settlement agreements, in attacks on your innocent brothers, in the lies of L. Ron Hubbard, or in stupidity, even if it's given a name suggesting sapience like Scientology.

Laurie J. Bartilson
May 3, 1993
Page 3 /

I expect to be doing various media appearances in the near future and talks to various groups, including one I have already agreed to with a university psychology class. I think it would be very beneficial, therefore, to resolve our differences as soon as possible by your organization's clear repudiation of its antisocial policies and practices, so that I can have good things to report at these talks.

With a great hope for peace for all, I remain, yours
sincerely,

A large, stylized handwritten signature in black ink, likely belonging to Gerald Armstrong, is written over the closing of the letter. The signature is fluid and cursive, with a large loop at the end.

Gerald Armstrong
C/O Hub Law Offices
711 Sir Francis Drake Blvd
San Anselmo, CA 94960
(415)258-0360

:ga

cc: Ford Greene, Esquire
Paul Morantz, Esquire
(without enclosures)

cc: KFOX
Los Angeles Times
San Francisco Chronicle
San Francisco Examiner
Marin Independent Journal
Time Magazine
(all with cc Bartilson 4/28/93 letter; cc 3/23/93 stay
order)

EXHIBIT F

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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

DEPARTMENT NO. 86

HON. DIANE WAYNE, JUDGE

CHURCH OF SCIENTOLOGY,

Plaintiff,

vs.

GERALD ARMSTRONG, et al.,

Defendants.

NO. BC 052 395

TRANSCRIPT OF PROCEEDINGS

March 5, 1993

APPEARANCES:

(See appearance page.)

COPY

COURT MONITOR:
TRANSCRIPTION BY:

E. VELASCO
FOX TRANSCRIPTIONS

1 APPEARANCES:

2 For Plaintiff:

ANDREW WILSON
Attorney-at-Law
Suite 450
235 Montgomery
San Francisco, CA 94104
(415) 391-3900

6 BOWLES & MOXON
BY: LAURIE J. BARTILSON
Suite 2000
6255 Sunset Boulevard
Hollywood, CA 90028
(213) 661-4030

10 For Defendants:

HUB LAW OFFICES
BY: FORD GREENE
711 Sir Francis Drake Boulevard
San Anselmo, CA 94960
(415) 258-0360

13 PAUL MORANTZ
Attorney-at-Law
P. O. Box 511
Pacific Palisades, CA 90272
(310) 459-4745

1 LOS ANGELES, CALIFORNIA, FRIDAY, MARCH 5, 1993, A.M.

2 DEPARTMENT NO. 86

HON. DIANE WAYNE, JUDGE

3
4 THE COURT: Church of Scientology versus Armstrong.

5 MR. WILSON: Good morning, Your Honor.

6 Andrew Wilson and Laurie Bartilson appearing on
7 behalf of the plaintiff, Church of Scientology.

8 MR. GREENE: Good morning, Your Honor.

9 Ford Greene and Paul Morantz on behalf of Gerald
10 Armstrong, who is sitting at the end of counsel table.

11 MR. WILSON: Your Honor, before we begin I'd like to
12 ask the court's permission to have Mr. Michael Hertzberg sit
13 at counsel table with me. He's not counsel in this action.
14 He's a New York attorney who represented my client in the
15 previous Armstrong action on the appeal.

16 THE COURT: It won't be necessary because we're not
17 going to go very far.

18 Gentlemen, let me ask -- I'm sorry.

19 MR. WILSON: Okay.

20 THE COURT: This case is on appeal?

21 MR. WILSON: Yes.

22 THE COURT: And it just seems to me -- you're the
23 moving party?

24 MR. WILSON: That's correct.

25 THE COURT: It seems to me ridiculous to hold this
26 hearing prior to a determination whether or not this is a
27 valid order. I mean, I have some serious questions about the
28 validity of the order. And I'm not prepared to waste my

1 time, if it's going to be heard. And apparently it's going
2 to be heard very soon, because the briefs have already been
3 filed and one is left to be filed; is that correct?

4 MR. GREENE: Actually, Your Honor, the respondent's
5 brief is due. Scientology's brief is due on March 22nd.

6 THE COURT: The respondent being the moving party here?

7 MR. GREENE: Being the moving party here and the
8 plaintiff in the action. And, as we noted in a footnote in
9 our papers and we were going to call the court's attention to
10 that fact again this morning.

11 THE COURT: It just seems like an inordinate waste of
12 our time.

13 MR. WILSON: May I address that point?

14 THE COURT: Sure. You can address, but --

15 MR. WILSON: And I will attempt to convince you.

16 THE COURT: You're not. Especially after seeing all
17 the papers you filed.

18 MR. WILSON: The point here is not whether
19 Judge Sohigian made an error.

20 THE COURT: No, no. I absolutely agree and I would not
21 relitigate the validity of the order and I'm not going to
22 relitigate that. And I think you're absolutely right. But
23 it does have to be a valid order.

24 Now, I don't know how broadly or narrowly you
25 find that but I think that it's stupid for me to waste my
26 time, your time, deciding whether or not Mr. Armstrong is in
27 actual contempt of an order that may be set aside.

28 MR. WILSON: I agree it would not be a good use of your

1 time.

2 THE COURT: Well, I don't mean that my time is so
3 valuable. I don't mean it in that sense.

4 MR. WILSON: It would not be a good use of judicial
5 time, but I don't believe that any of the issues --

6 THE COURT: That's not my personal time that I'm
7 talking about.

8 MR. WILSON: I don't believe that any of the issues
9 that are going to be addressed on appeal will solve the
10 problem of whether Mr. Armstrong should be held in contempt
11 for this very simple reason:

12 The cases say that the only excuse that
13 Mr. Armstrong could have for violating this court's order
14 would be if the court did not have jurisdiction. And the
15 cases talk about what that jurisdiction is and it's either
16 personal jurisdiction and subject matter jurisdiction.

17 There's no question that Judge Sohigian had
18 jurisdiction to issue this order. Mr. Greene tries to
19 bootstrap his arguments, which are essentially arguments that
20 Judge Sohigian's order was wrong, into arguments that
21 Judge Sohigian did not have jurisdiction.

22 But if you look at the cases that we've cited --
23 and I think this is a very important point -- particularly
24 the Walker v. City of Birmingham case, where in that case
25 there was an injunction issued against people marching, a
26 Civil Rights march, that involved the infamous Bull Connor,
27 who didn't give them a permit. A court enjoined them; they
28 violated the injunction and it went all the way up to the

1 Supreme Court.

2 And the Supreme Court said it doesn't matter this
3 ordinance was unconstitutional; it doesn't matter whether
4 your rights of free speech were violated. What matters is
5 you cannot disobey the order of the court.

6 And in the Walker case the Supreme Court made a
7 statement, and I'd like to read it to you briefly. And the
8 court said, "Without question, the state court that issued
9 the injunction had, as a court of equity, jurisdiction over
10 the petitioners and over the subject matter of the
11 controversy. And this is not a case where the injunction was
12 transparently invalid or had only a frivolous pretense to
13 validity.

14 We have consistently recognized the strong
15 interest of state and local governments in regulating the use
16 of their streets and other public places."

17 I submit to the court that the interest here that
18 the court has in making sure its orders are obeyed is at
19 least as strong as the interest of the State in Walker in
20 regulating its streets and public ways.

21 What's going on here is not that Mr. Armstrong is
22 involved in this hearing against the Church of Scientology.
23 This is a case of Mr. Armstrong against this court. There is
24 an order of this court and he violated it. That's what's
25 relevant here and there's no issue before the appellate court
26 that's going to resolve that.

27 THE COURT: Oh, but I think there is. And that's
28 whether or not this is an order --

1 I'll tell you, when I first looked at this order,
2 I thought the order was clear until I then read part of the
3 transcript. Then it became unclear to me. And I think that
4 is in front of the appellate court, whether or not this is an
5 order capable of being followed, because Judge Sohigian's
6 comments that at least it confused me a little bit.

7 So I do think that issue is there and I'm going
8 to put this matter over until I think that will be decided
9 without prejudice to anybody's rights and I would suggest
10 that you return in June. I think that would give us
11 sufficient time.

12 Your Honor, my concern -- and I know this is not
13 before the court, but my concern is that Mr. Armstrong has
14 stated in deposition -- you've probably seen that
15 statement -- he's not going to obey this agreement no matter
16 what a court says.

17 We have put forth numerous instances in which we
18 believe he is --

19 THE COURT: If that's a valid order, each time he
20 disobeys it, he faces five days in jail. I take contempt
21 very seriously. And, I mean, I don't treat it lightly and he
22 just does it at his peril.

23 MR. WILSON: Thank you.

24 THE COURT: All right. Let's pick a date in June. Why
25 don't we make it June 1st.

26 MR. WILSON: May I be able to look at my calendar?

27 THE COURT: Sure.

28 MR. GREENE: These proceedings are being electronically

1 recorded; right, Judge? Could we get a transcript.

2 THE COURT: Yes.

3 MR. GREENE: Thank you, Your Honor.

4 MS. BARTILSON: Your Honor, the case is scheduled for
5 trial May 3rd. Judge Horowitz found no problem with going
6 forward on the trial of this case, despite the appeal. And
7 essentially the message that I hear Mr. Armstrong being told
8 is you do the contempt at your peril, but by filing an
9 appeal, no matter how frivolous, you can avoid an order of
10 the court.

11 THE COURT: You know what? I don't try to interrupt
12 you, so try not to interrupt me. All right.

13 MS. BARTILSON: I'm sorry. I apologize, Your Honor.

14 THE COURT: Is June 1st all right?

15 MR. GREENE: For me it's not, Your Honor. I have a
16 conflict and maybe I can change that conflict, so I'll try.

17 THE COURT: June 1st. Is that all right for you?

18 MR. WILSON: Yes, it is, Your Honor.

19 THE COURT: We'll see you back here June 1st.

20 Mr. Armstrong, you are ordered to return on
21 June 1st at 9:30.

22 MR. GREENE: Thank you, Your Honor.

23
24 (Proceedings concluded.)
25
26
27
28

EXHIBIT G

1 Andrew H. Wilson
2 WILSON, RYAN & CAMPILONGO
3 235 Montgomery Street
4 Suite 450
5 San Francisco, California 94104
6 (415) 391-3900

7 Laurie J. Bartilson
8 BOWLES & MOXON
9 6255 Sunset Boulevard, Suite 2000
10 Hollywood, CA 90028
11 (213) 953-3360

12 Attorneys for Plaintiff
13 CHURCH OF SCIENTOLOGY
14 INTERNATIONAL

ORIGINAL FILED
JUL 26 1993
LOS ANGELES
SUPERIOR COURT

15 SUPERIOR COURT OF THE STATE OF CALIFORNIA
16 FOR THE COUNTY OF LOS ANGELES

17 CHURCH OF SCIENTOLOGY)
18 INTERNATIONAL, a California not-)
19 for-profit religious corporation,)

20 Plaintiff,

21 vs.

22 GERALD ARMSTRONG; THE GERALD)
23 ARMSTRONG CORPORATION, a)
24 California for-profit corporation;)
25 DOES 2 through 25, inclusive,)

26 Defendants.

27 AND RELATED CROSS-COMPLAINT

CASE NO. BC 052395

ORDER TO SHOW CAUSE RE
CONTEMPT

DATE: July 26, 1993

TIME: 8:30 a.m.

DEPT: 86

DISCOVERY CUT-OFF: None

MOTION CUT-OFF: None

TRIAL DATE: Vacated

28 TO: GERALD ARMSTRONG:

29 GOOD CAUSE APPEARING, YOU ARE ORDERED to appear in
30 Department No. EL of this Court, located at 111 North Hill
31 Street, Los Angeles, California 90012, on September 14, 1993 at

1 (time) to show cause why you should not be adjudged to be
2 in contempt of this Court for alleged violation of the Court's
3 order of May 28, 1992.

4 If you are held to be in contempt of this Court, then as the
5 Court sees fit you will be subject to a fine not to exceed
6 \$1,000.00 and jail time not to exceed five days.

7
8 Date: JUL 26 1993

 DIANE WAYNE
 Superior Court Judge

PROOF OF SERVICE

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

I am employed in the County of Los Angeles, State of California. I am over the age of eighteen (18) years and not a party to the within action. My business address is 6255 Sunset Blvd., Suite 2000, Los Angeles, California 90028.

On July 26, 1993, I served the foregoing document described as ORDER TO SHOW CAUSE RE CONTEMPT on interested parties in this action,

[] by placing the true copies thereof in sealed envelopes as stated on the attached mailing list;

[X] by placing [] the original [X] true copies thereof in sealed envelopes addressed as follows:

FORD GREENE
HUB Law Offices
711 Sir Francis Drake Blvd.
San Anselmo, CA 94960-1949

PAUL MORANTZ
P.O. Box 511
Pacific Palisades, CA 90272

[X] BY MAIL

[] *I deposited such envelope in the mail at Los Angeles, California. The envelope was mailed with postage thereon fully prepaid.

[X] As follows: I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with U.S. postal service on that same day with postage thereon fully prepaid at Los Angeles, California in the ordinary course of business. I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing an affidavit.

Executed on July 26, 1993 at Los Angeles, California.

[] ****(BY PERSONAL SERVICE)** I delivered such envelopes by hand to the offices of the addressees.

Executed on _____, at Los Angeles, California.

[X] (State) I declare under penalty of the laws of the State of California that the above is true and correct.

[] (Federal) I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

Graah Becket
Print or Type Name


Signature

* (By Mail, signature must be of person depositing envelope in mail slot, box or bag)

** (For personal service signature must be that of messenger)

EXHIBIT H

SUPERIOR COURT OF CALIFORNIA , COUNTY OF LOS ANGELES

Date: September 14, 1993

Honorable DIANE WAYNE

, Judge

#2

NONE

, Deputy Sheriff

I.R. MATTHEWS-DOTY

, Deputy Clerk

E. VELASCO

, E.R.M.

BC052395

(Parties and Counsel checked if present)

CHURCH OF SCIENTOLOGY INTERNATIONAL

Counsel For
PlaintiffLAURIE J. BARTILSON (x)
and ANDREW H. WILSON (x)

VS

Counsel For
Defendant

FORD GREENE (x)

GERALD ARMSTRONG, ETC., ET AL

NATURE OF PROCEEDINGS:

OSC RE: CONTEMPT

The OSC comes on for hearing.

The Court confers with counsel from the bench.

Hearing on the OSC re: contempt is continued to 12-06-93 at 9:30 a.m.,
tis department.

FORD GREENE
LAWYERHUB LAW OFFICES
711 SIB FRANCIS DRAKE BOULEVARD
SAB ANSELMO, CALIFORNIA 94960-1949
(415) 258-0360LICENSE No. 107601
FACSIMILE (415) 456-5318

December 3, 1993

HONORABLE DIANE WAYNE
Department 86
Superior Court of California
County of Los Angeles
111 North Hill Street
Los Angeles, California 90012RE: Church of Scientology International v. Armstrong
[Former Marin County Superior Court No. 152 229]
Los Angeles Superior Court
Case No. BC 052 395

Dear Judge Wayne:

This letter will confirm my conversation this morning with your clerk, Ida. In light of the fact that the Court of Appeal has yet to rule on Armstrong's interlocutory appeal, and has not even set oral argument in the matter, the proceeding set before you next Monday, December 6th, will be continued to April 6, 1994.

By copies of this letter faxed to opposing counsel, I am giving notice of this continuance.

Sincerely,


FORD GREENE

:acg

cc: Paul Morantz
Andrew H. Wilson
Laurie J. Bartilson

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

Date: March 23, 1993

Honorable DAVID A. HOROWITZ

. Judge
. Deputy Sheriff
. C. S. L.S. ROBLES
B. CHARLINE HOWELL. Deputy Clerk
. Reporter
. E/R Monitor

8 C. AGUIRRE

BC052395

(Parties and Counsel checked if present)

CHURCH OF SCIENTOLOGY, ETC

Counsel For LAURIE BARTILSON (x)
Plaintiff ANDREW WILSON (x)

VS

GERALD ARMSTRONG

Counsel For FORD GREENE (x)
Defendant

NATURE OF PROCEEDINGS:

MOTION OF DEFENDANT, GERALD ARMSTRONG, FOR STAY OR IN THE ALTERNATIVE, FOR AN EXTENSION OF TIME TO OPPOSE MOTIONS FOR SUMMARY ADJUDICATION;

D, Mot for stay of proceedings GRANTED. The action is stayed under CCP 916. Counsel are ordered to report any decision by the Court of Appeal to this Department, in writing, within one day of the issuance of the opinion so that this Court may lift the stay.

"...an appeal stays proceedings in the trial court upon the order appealed from or upon the matters embraced therein or affected thereby..." CCP 916. As the Church has stated in its Summary Adjudication motions, "The facts are undisputed, however, that Armstrong has breached the Agreement repeatedly and deliberately. Because of these breaches, a preliminary injunction was issued by the Court on May 28, 1992." Obviously, the validity of the Agreement is the basis for the preliminary injunction. One of the basis for the appeal is an attack on the legality and validity of the Agreement.

The central issue of this case is the legality and validity of the Agreement. The Court of Appeal could certainly reach that issue in its determination of the validity of the injunction. If it does, that ruling could be determinative of many of the issues of this case. It makes no sense to proceed with this matter until the Court of Appeal makes its ruling.

Any and all matters set in this department, including but not limited to the Motions set for 3/31/93, the Final Status Conference of 4/23/93 and the Trial of 5/3/93, are each advanced and vacated.

Defendant shall give notice.

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

DATE: 05/26/93

DEPT. 30

HONORABLE David Horowitz

JUDGE

S. ROBLES

DEPUTY CLERK

HONORABLE

JUDGE PRO TEM

ELECTRONIC RECORDING MONITOR

4

C. AGUIRRE, CSL

Deputy Sheriff

B. CHARLINE HOWELL

Reporter

8:30 am

BC052395

Church of Scientology, etc.

VS

Gerald Armstrong, et al.

170.6 JUDGE GEERNAERT

Plaintiff

ANDREW H. WILSON (x)

Counsel

LAURIE J. BARTILSON (x)

Defendant

PAUL MORANTZ (x)

Counsel

NATURE OF PROCEEDINGS:

MOTION OF PLAINTIFF CHURCH OF SCIENTOLOGY FOR CLAIFICATION OR ALTERNATIVELY TO REQUIRE THE POSTING OF AN UNDERTAKING PENDING APPEAL BY DEFENDANT ARMSTRONG;

The instant motion is improperly before this court. The injunction was issued in Department 86 of the Superior Court. The hearing on contempt relating to the injunction is before Department 86, and the appeal of the injunction is an appeal for the orders of Department 86.

This Court did no more than stay the trial proceedings pending the outcome of the appeal. Any "clarifications" or further orders necessary to define the parameters of the injunction, contempt, and/or "undertakings", or other matters relating to the injunction, should be addressed and raised in Department 86, Judge Diane Wayne presiding.

No sanctions.

Plaintiff shall give notice.

DEATH, PSYCHOSIS, and SCIEN TOLOGY

The pattern and similarity of reports electronically summarized here for the first time from former members and from tens of thousands of pages of affidavits, books, and articles, and other materials tell a chilling story about this controversial group.¹ Reports of coverups of Scientology members becoming psychotic or suicidal, or committing suicide, while receiving Scientology's services are far too numerous to be ignored any longer.

Your help is needed.

These reports create a moral and humanitarian imperative for current and former members to provide all possible information to this investigation. Many countries have laws similar to California's *Restatement of Agency*, Section 395(f) which states, "An agent is privileged to reveal information confidentially acquired by him in the course of his agency in the protection of a SUPERIOR interest of himself or a third party."

Staff members are agents. The public dangers discussed in this questionnaire represent such a superior interest.

Only by assembling all of our personal recollections concerning the individuals and circumstances mentioned herein will it be possible to pierce any possible Scientology coverups and prevent possible future calamities. It is a miracle in many ways that the reports mentioned in this questionnaire have squeezed through the cracks of Scientology's secrecy structure, intelligence agency procedures, and practice of destroying incriminating documents.

If you are a current or former Scientologist or work with or know current or former members, please review the following reports. If you recognize any of the names or have any information relevant to the additional questions at the end, please assist us immediately with an upcoming deadline. Send your information (even in preliminary form) to: Scientology Investigation, c/o F.A.C.T.Net, 601 16th. C-217, Golden, Colorado 80403, U.S.A.

I. ALLEGED SUICIDES WHILE RECEIVING SCIEN TOLOGY SERVICES

1. Quentin Hubbard died from carbon monoxide poisoning in 1977, from a hose hooked to the tailpipe of his car. Quentin was L. Ron Hubbard's second son, OT7, and a Class 12 auditor.
2. Flo Barnett a.k.a. Miller died from several gunshot wounds. She was David Miscavige's mother-in-law. Just before her death she was reported to have had an argument with David Miscavige and threatened to go public and sue Scientology.
3. Noah Lottick jumped to his death in New York, May 11, 1990, one block from the 46th St. Scientology org.
4. Rodney Ramando jumped to his death at the L.A. org in 1986.
5. James Stewart jumped to his death in Edinburgh Scotland. He was on OT3, a class 7 auditor, and the Executive Director of the Durban Org.
6. Lila Leighton Brown jumped to her death in San Francisco while a public PC in 1978.
7. An individual (name unknown) jumped to his death from the Hanover bank building in New York City circa 1981-3.
8. An older woman from Switzerland jumped to her death off the pier in Clearwater while on the OT levels. Immediately after her suicide the GO sent a bunch of people to the RPF.
9. John Colletto, SO staff, became psychotic and suicidal while on OT3. Very shortly afterward he shot his wife, Diane Colletto, to death. This occurred in 1979 in front of ASHO in LA. Shortly afterward he killed himself. The GO made great efforts to keep the whole event silent.
10. Bob Schafner was on OT3 and having problems. He rode a bike under a truck, dying instantly, in 1987 or 1988.
11. In 1975 a man in LA shot himself to death with a rifle while on OT3.
12. Gene Trout, OT7, L10,11, 12.
13. Jim Hester, Miami, Florida.
14. Jane Winkler, OT7.
15. Martina Douglas committed suicide at East Grinstead, England.
16. David Baker, OT3, Tech Sec at East Grinstead, 1984.
17. Lee Johnstone, GO staff, was "baby watched" before he committed suicide at East Grinstead in 1985.
18. Rita Smith, at East Grinstead, 1987.
19. Steven Craine, at East Grinstead.
20. Susan Meister shot herself to death aboard the Apollo in 1971 after an intense argument with Hubbard.
21. David Sandwies.
22. A woman who "drowned" in a bathtub at Flag.
23. Ernie (last name unknown) was a Scientology suicide in 1978 or 1979 in LA.
24. Laura (last name unknown), girlfriend of Skip Press, committed suicide in 1986 or 1987.
25. D. Dewhurst, a public PC, committed suicide in his car behind the Vancouver, Canada Scientology mission.
26. There is a report that an individual who had just gone clear committed suicide in Albuquerque, New Mexico.

¹ This questionnaire contains allegations, opinions, and beliefs protected by the first amendment. These allegations, opinions, and beliefs are made about activities committed in a claimed religious setting which may be a serious threat to public health and well being. This questionnaire also may contain statements in which individuals are exercising their first amendment rights of religious freedom in openly discussing claimed religious matters or their former or current religious beliefs. The questionnaire was created to assist in investigating and verifying the listed allegations, opinions, and reports.

27. Quentin Schnehager, a Copenhagen staff member, hung himself just before a Sea Org mission was to arrive in his organization.
28. A London public PC threw himself in front of a train while depressed during auditing.
29. Karen Fuller died on course while on OT3.
30. Paulette Cooper's book reports a person who left a suicide note emphasizing that it had "nothing to do with Scientology."
31. Hubbard claimed that a publisher committed suicide by jumping from a window after reading *Excalibur*, the early version of the OT Levels.
32. A friend of Ari Salonen's committed suicide in Stockholm.
33. Michael Leube, a 10-year Scientologist and sea org member committed suicide in July, 1989.

II. ALLEGED DEATHS ON SCIENTOLOGY'S "PURIFICATION RUNDOWN"

34. Phil Valinski died during auditing at La Quinta in California. Scientology withheld information from his family, according to reports.
35. John Roberts became comatose and died at East Grinstead.
36. (first name unknown) Van Sefers died at Flag or on his return to Europe.
37. A Scientologist in Washington state, name unknown.
38. A Scientologist named Christopher (last name unknown) died on this rundown. Scientology (Western Division) was reported to have quickly settled a wrongful death case with his family. An ex-GO/OSA member recently reported that he stole all the court records from Portland Oregon's 3 counties to cover up this case.
39. A woman given the protective pseudonym "Allison" by Corydon in his book tells of almost dying because of it.

III. ALLEGATIONS ABOUT "END OF CASE AUDITING" (EOC)

These need investigation and verification because of suspected coercion to induce already weakened, infirm or ill persons to buy dangerous additional "services," commit suicide, or speed their own deaths by abandoning normal medical practices for economic, convenience, or political reasons.

40. Yvonne Jentzsch. A report from a recent defector implies Yvonne actively resisted doing the EOC but was forced to do it. She reportedly was having major problems with her husband, Heber Jentzsch, and with L. Ron Hubbard. Since she was such a popular executive, the EOC may have been politically driven to stop a doubt/PR/security problem in the highest levels of the group.
41. Phoebe Maurer.
42. Sue Todd Hunter, OT5, was audited extensively while known to have cancer. She died recently.
43. There is a lot of information in FBI records and elsewhere that Scientology operatives tried to get Paulette Cooper to commit suicide.
44. A bogged Toronto public pc became psychotic and was sent a letter implying that suicide was her best road out.

IV. ALLEGATIONS CONCERNING OTHER DEATHS WHILE AN INDIVIDUAL WAS ASSOCIATED WITH SCIENTOLOGY

45. An older male sea org member died at Flag between November, 1989 and April, 1990. A former Flag sea org member overheard a GO/OSA agent talking about keeping the death quiet.
46. Michael Bonnin died during auditing on the upper levels.
47. Maria Echarrarria's son died at Clearwater Florida.
48. David Orin Cloud died in a 1983 car accident after being depressed and receiving Scientology services secretly.

49. A real estate broker died mysteriously in the Clearwater Florida area. Prior to his death, this individual had an argument with David Miscavige over some property. Miscavige wanted to buy from him. He was not a member.
50. Doreen Gaul and James Sharp were teenage Scientologists murdered in LA. John McMasters, the first Clear, disassociated from Scientology in part because of these deaths. He felt that the vindictiveness of Scientology's actions were somehow connected to the deaths.
51. John Kennedy died in 1966, in Rhodesia, allegedly while cleaning his gun. He was a Scientologist who had strong conflicts with the local group and had left Scientology to set up his own mental health institute.
52. The Seattle Times reports that William J. Fisk was murdered by Russell Johnson at the Seattle org during class. The story says it was because Fisk was having intercourse with Johnson's wife. Johnson's wife was a Scientologist and Russell was not. Fisk had bragged of being able to control Johnson's wife.
53. The Franchise holder from Stuttgart Germany was summoned under duress to Flag and then died in a salvage operation while in Florida.
54. An individual named Brown was killed. Steve Fishman connected him to a Scientology project called GOLDCORE.
55. Jim (last name unknown) was found dead in Queens, N.Y. while on an ethics handling.
56. John Peterson, formerly one of Scientology's leading attorneys.
57. Although he did not die, Terry N. Prueher was told Scientology had a contract on him and was later involved in an shooting where a bullet grazed his forehead.
58. Although the targeted individual did not die, in 1988, Milan Nekuda, who has some association with Scientology, tried to kill a woman.
59. An army officer watching a demonstration of how to use an E-meter to find subversives committed suicide shortly after the demonstration.
60. Ezio Conflati, a Toronto public pc, in 1991, possibly was drugged to induce a heart attack. He did not die.

V. ALLEGATIONS OF ATTEMPTS BY SCIENTOLOGY TO GET MEMBERS TO COMMIT SUICIDE.

61. Steve Fishman, a former GO/OSA operative, reports that after he was caught by the government in 1986, he was ordered to commit suicide to save Scientology from being exposed for crimes he had committed on their behalf.
62. John Breedlove was at Scientology's Flag land base in the 1970's. He told his mother he was told by Scientology to commit suicide and that Scientology could get anyone to commit suicide if they wanted. He did commit suicide after he left Scientology.
63. One of Hubbard's first wives, Sara Northrup Hubbard, appears to have been coerced by Hubbard to try to commit suicide to protect his reputation.
64. Did the same thing happen to L. Ron Hubbard Jr. after he left Scientology?
65. David Sandelwies committed suicide after Scientology threatened to reveal confidential information in his PC folders.

VI. ALLEGATIONS OF ATTEMPTED SUICIDES WHILE RECEIVING SCN SERVICES

66. Mary Sue Hubbard, L Ron Hubbard's wife, 1954, 1980-1981.
67. L Ron Hubbard threatened to commit suicide if one of his girlfriends didn't marry him. Later during his auditing on various levels he went through suicidal periods.
68. Quentin Hubbard attempted suicide before he actually killed himself. One such attempt was a drug overdose.

69. Peter Lewis, ED of the LA Org, was locked up by Scientology for days after his suicide attempt.
70. Manfred Eichorn attempted suicide at East Grinstead in 1991, then was "baby watched."
71. Lawrence Wollersheim attempted suicide immediately after receiving L-12 and other upper level auditing.
72. Margery Wakefield.
73. Robert Hart, 1971.
74. Ari Salonen, 1982, Finland.
75. Sandy Fuller.
76. (first name unknown) Anderson.
77. Hana Eltringham, now Hana Whitfield.
78. Paulette Cooper's book mentions an individual who became psychotic and suicidal on OT3 and committed himself to avoid suicide.
79. Robert Kaufman (from Paulette Cooper's book).
80. Monica Pignotti.
81. Mario (last name unknown).
82. Cooper's book mentions another individual who threatened suicide but didn't because he was afraid it would invalidate Scientology.
83. In 1992 a Toronto male public pc jumped off the Bloor/Danforth viaduct.

VII. ALLEGATIONS OF THREATENED SUICIDES WHILE RECEIVING SCN SERVICES

84. Diana Hubbard, L Ron Hubbard's daughter, OT7, around 1980.
85. Hedi Delgro, at East Grinstead, probably September 1992. An isolation order was written on her after she became psychotic and threatened or attempted suicide.

VIII. ALLEGATIONS OF PERSONS BECOMING PSYCHOTIC WHILE RECEIVING SCIENTOLOGY SERVICES

86. Two Swedish public PC's, one from Stockholm and one from Malmo, became psychotic after Flag sec checking.
87. Bruce Welch was locked up on the Apollo for weeks after he became psychotic.
88. Carl Barney was locked up aboard the Apollo after he became psychotic.
89. Marianne Coenan was locked up in Pomona in 1991.
90. Sam Binion or Benion became psychotic while on OT3. It is reported that Heber Jentzsch was involved in physically restraining him and ripping off his clear bracelet so he wouldn't give Scientology a bad name.
91. An individual named Robertson shot DMSO into himself while psychotic.
92. According to an ex-Sea org member, it was a common occurrence both on the Apollo and in Clearwater to have staff and RPFer's who became psychotic locked in the bathroom.
93. Charles Manson had 150 hours of auditing. The GO hid this information but it showed up in documents seized by the FBI.
94. Ann Rosenblum's affidavit tells about GO/OSA members bragging about driving 2 defectors/critics into a mental institution with nervous breakdowns.
95. Dave Voorhies, in Seattle, Washington, became psychotic on OT3 and was given thorazine which the Scientologists told him was vitamin B.
96. Hana Eltringham, now Hana Whitfield.
97. Bill Howie, on OT3. He was a high level, long term Sea org executive. His wife was the deputy CO of Celebrity center.

98. Willie B. Wilson, on OT 3 in the late 70's or early 80's. He was a wealthy Texas oil man.
99. A Beverly Hills pediatrician who joined the Sea Org and then became psychotic.
100. Travis Harris became psychotic while auditing on the Apollo in 1974.
101. L. Ron Hubbard became psychotic while auditing on OT3, and had many other psychotic episodes according to defector affidavits.
102. Steve Fishman.
103. Ann Rosenblum became psychotic while on the RPF.
104. An affidavit from a former high ranking auditor states that if staff members became psychotic on the OT levels they were sent to the RPF. This may indicate an attempt to cover up Scientology-induced psychotic episodes within the organization.
105. Roxanne Friend was told she wasn't ill and needed more auditing when she had cancer. In 1990 she refused auditing, was declared psychotic, and kidnapped to Flag.

IX. ALLEGED "REVERSE AUDITING" TO DELIBERATELY INDUCE PSYCHOSIS IN "SECURITY RISK" PERSONS.

106. A former NOTS C/S reports that he knows of individuals who were ordered by the GO/OSA to reverse audit security risks.
107. Reverse auditing was done on Arthur Running Bear. He did become psychotic from the auditing.

X. ALLEGED INTENTIONAL NEGLIGENCE CAUSING DEATH OF MEMBERS

There are reports that Scientology is letting staff members with cancer or other serious and expensive illness go without treatment. They work them until they drop, and by then the cancer or other illness has progressed too far. Please contact F.A.C.T.Net if you have any knowledge of this subject. *There may be people in this position now who still could be helped.*

108. Ed Brewer, an LA sea org member was left to bleed to death trapped in a car. He was left without medical attention and without calling for help while other staff members who were with him went back to the Guardian's Office to get instructions on what to do so the accident would not create a PR flap.
109. Sally Esterman Chaleff, a 20 year Sea Org member died a painful and slow death of treatable and operable cervical cancer. She was denied almost all care that could have saved or extended her life.
110. A child was run over at the Scientology nursery in Clearwater. This may be a covered up negligence situation.

XI. ALLEGED DEATHS, BEAKDOWNS OR SUICIDES OF FAMILIES AND FRIENDS OF CURRENT OR EX-SCIENTOLOGISTS

111. Arlene S. Heller describes the stress Scientology put her family through, which caused a mental breakdown and suicide attempt in September of 1981. Her daughter was a member.
112. Lawrence Wollersheim believes that Scientology harassment was a major factor in his father's heart attack.

WHAT TO DO

If you have any information about these or similar cases, write a report or affidavit — anonymous if you must. Please be specific with as much relevant detail as possible.

Please specify:

- Scientology services the person was taking, i.e., purification rundown, introspection RD, OT levels, false purpose RD, RPF, etc..
- Who were the people delivering the service?
- Dates and location.
- If the individual was a staff member, what post(s) did he or she hold?
- What were the individual's actual reactions, emotional state, and unguarded comments about what was being done to them by Scientology?
- Names and addresses of family and friends who the individual may have confided in.
- How can we obtain further information?

We are also interested if you have any knowledge about:

- celebrities who have had similar experiences,
- persons involved in destroying records,
- anyone receiving Scientology services who was "baby watched" or subject to isolation orders or hospitalized, and
- the whereabouts of the individuals or families of GO/OSA agents Leonard Liebowitz (US), or Clarice Guidice (Italian), or Jay Grossman.

How might we contact recent defectors from any Scientology organization or their families, particularly Pat and Annie Broeker and Terry Gamboa?

How might we locate or contact the parents or non-Scientology families of the senior Scn executives?

Do you have information about other people or circumstances relevant to any of the sections of this questionnaire — such as names of former GO/OSA auditors, staff C/S's or medical officers who would have had access to this type of information before it may have been removed or destroyed?

What recollection or materials do you have of any Scientology materials or internal reports (micro film computer reports etc.) which mention:

- dangers of inducing psychosis or suicidal impulses,
- actual attempted suicides or psychotic episodes,
- the experimental or dangerous nature of Scientology techniques, or
- putting the children of staff members at risk because of inadequate care.

Do you have any information about any of Scientology's alleged financial frauds, not limited to postulate checks, credit card scams, student loan scams, Author Services, Inc. Special Properties scams, or Church of Scientology asset transfers?

To help inform others, would you be willing to appear on TV or in other media to discuss your knowledge about Scientology in the areas of this questionnaire? Would you be willing to attend a conference (location and dates not determined)?

WHAT WILL BE DONE WITH THIS INFORMATION

The information will be used to assemble comprehensive summary reports that may eventually go to government or private agencies responsible for protecting the public safety and mental health, and agencies that protect the public from criminal activities in all countries where Scientology operates. The information you provide also may be used to assist ongoing civil or criminal litigation on wrongful death or other charges. It may also be used to assist investigative media reporters seeking to call the public's attention to these matters. If you wish to restrict the use of the information you submit to us, specify the restrictions in your report.

OTHER WAYS YOU CAN HELP AND GET MORE INFORMATION

- Distribute copies of this document to every current and former Scientologist you can contact, to anyone else you think could help, and on any computer bulletin board (BBS) to which you have access.
- If you have a computer and modem, write for a F.A.C.T.Net electronic library cardholder application. Send a SASE with 58 cents postage to: F.A.C.T.Net., Inc. There is no charge to approved applicants and no connect charge.
- If you don't have a computer and modem, send a 58 cent SASE for an update and additional information. All reports, requests for additional information, and F.A.C.T.Net cardholder applications must be in writing

Don't confine your remembrance to the names on this list. We suspect this may be just the tip of the iceberg. Who else do you know about?

ARE THERE UNDISCLOSED DANGERS IN SCIENTOLOGY'S TECHNIQUES?

an alternative opinion

Scientology's control techniques are derived from a collection of sources—some benign, others not. Some of the more benign techniques are plagiarized without recognition from a mishmash of pop psychology and other psychological and psychiatric schools. After people are hooked by the friendly, benign come-on, Scientology uses exercises that covertly put the receiver in hypnotic trance. The purpose of covert trance induction is to increase the subject's suggestibility and control the subject's resources. These techniques are derived from traditional hypnosis and from rituals used to produce fanatical loyalty in the initiatory rites of past secret societies. (Early in his career, L. Ron Hubbard was involved in a Satanic secret society.)

These coercive control techniques alone could explain the many reports of psychosis and suicide, but Hubbard went far beyond traditional techniques. He studied and wrote a book on brainwashing, and commented that he could use his knowledge to turn people into "willing slaves." While developing what Scientology call its L-12 processes, Hubbard allegedly said that if they did this program wrong they might as well build a pine box for the individual receiving it.

Hubbard experimented with first generation Russian and Korean brainwashing techniques on unknowing members under a cloak of "religion." His innovative experimentation helped produce a second generation of thought reform and mind control techniques. These are considerably more dangerous than their first generation predecessors. Hubbard combined these new control techniques with the bizarre occult cosmology of his past, high pressure sales techniques, traditional deception techniques, and sociological and psychological stress techniques.

These second generation thought reform programs are commonly called "coercive persuasion" in the courts. In *United States v. Lee* 455 U.S. 252, 257-258 (1982), the California Supreme Court found that "when a person is subjected to coercive persuasion without his knowledge or consent... [he may] develop serious and sometimes irreversible physical and psychiatric disorders, up to and including schizophrenia, self-mutilation, and suicide."

The goal of all coercive persuasion programs is to produce subject compliance and control the subject's resources by holding the subject at a point of maximum

WERE YOU PAID \$2-400,000/YR IN THE SEA ORG?

The October 22, 1993 New York Times reports the Scientology salary David Miscavige and his wife reported to the IRS for 1991 was \$94,042. The article didn't add the market value of year-round housing, servants, cooks, travel, vehicle and entertainment allowances. With David's love of trendy mountain resorts this could amount to another \$1-200,000 per year. More importantly, the article failed to reveal that Miscavige and several other top Scientology executives, as trustees or board members of Author Services Inc., allegedly share another 5% of the gross income of ASI trusts A and B. Not including what may be funneled back to them from other Scientology-related organizations, the estimates for just this hidden additional 5% ASI income are \$4-800,000/yr.

73 SCIENTOLOGISTS CONVICTED IN MILAN, ITALY

After previously being acquitted on other charges, 73 high level members of the Scientology organization in Italy have been convicted of conspiracy, tax evasion, extortion, and criminal actions against minors and the infirm. Sentences range from 4 months to 4 years.

WOLLERSHEIM BEGINS COLLECTION OF \$ SIX MILLION+

After a 14 year legal battle and numerous appeals, several to the U.S. Supreme court, the State of California has finalized the Wollersheim judgment and given Wollersheim the OK to begin collection. Wollersheim said, "My suit was won because I was coerced with a freeloader debt, coerced into going to the RPF, coerced into disconnecting from my loved ones, physically coerced and restrained when I wanted to leave, and coerced into becoming an unknowing guinea pig for Scientology's human experimentation with thought reform techniques which caused me to go psychotic. If any of these things has happened to you or anyone you know, get a lawyer and discuss your rights. In many jurisdictions you have one year from the date you discover that you have been harmed to file a suit."

DID DAVID MISCAVIGE SELL OUT L. RON HUBBARD FOR SCIENTOLOGY'S NEW IRS TAX EXEMPT STATUS?

Do documents sealed in the IRS deal reveal that David Miscavige sold Hubbard out as a criminal in admissions necessary for Scientology to get its new tax exempt status? We may soon find out. Scientology had to battle for 40 years to get a non-profit status that the IRS routinely gives away to Satanic and neo-Nazi groups that can show a legitimate religious nature. Now, within weeks of the IRS ruling, Scientology's new status has already been challenged as based on fraud. A coalition of ex-members and other interested parties is assisting those challenging the IRS ruling. Don't be surprised if they soon find a way to unseal Miscavige's secret IRS deal and document the alleged Scientology misrepresentations on which the IRS based its decision.

—Might criminal charges be forthcoming against Scientology's executives, attorneys and accountants?

psychological stress without inducing psychosis. Unfortunately, the second generation coercive programs have increased the chance of error because subjects tend to be less well monitored and the advanced techniques used to induce stress are more powerful and less predictable in their effects on the individual.

In coercive persuasion programs, frequent and intense attempts are often made to cause a person to reevaluate the most central aspects of their experience of self and prior conduct in negative ways. Efforts are designed to destabilize and undermine the subject's basic consciousness, reality awareness, world view, emotional control, and defense mechanisms. They are engineered to induce the individual to reinterpret his or her life's history and adopt a new version of causality.

One of the most important pieces of information is how it works. Scientology members are forbidden to talk to each other about anything negative that happens to them while undergoing Scientology techniques. The only Scientology staff with whom they are allowed to discuss the negative effects of Scientology are forbidden themselves to disclose the true nature, severity, or number of these negative experiences to anyone but one or two other individuals whose primary job is to prevent this type of information from getting out to the public.

Members are deceived into thinking and rationalizing that any such reports they might accidentally hear are caused by something wrong with that individual (but not with Scientology) or that the path through the secret initiatory levels is a narrow and perilous "wall of fire" and casualties are normal and to be expected.

Members have no idea they are being used as guinea pigs for dangerous psychological control experiments and have no idea that many people before them may have suffered dire harm because of these techniques.

SCIENTOLOGY CODE OF SILENCE BROKEN

More than ever before in its history, former Scientology staff members and public are speaking out and revealing what they know about the alleged crimes and immoral activities of this group. The list of people now working to expose the truth about Scientology reads like a who's who list of Scientology's former best and brightest staff, executives, and public.

Vaughn Young typifies the outspoken and courageous former Scientologists who dare to break the Scientology code of silence. For 15 years Vaughn and his wife, Stacy, worked at the highest levels of the GO/OSA until they recently left. Vaughn's affidavit of October, 1993 states, "During this time [1981], the GO was being converted to the Office of Special Affairs (OSA). This was done under the direction of Vicki Aznaran who later became the Inspector General and has since left Scientology. While it was later touted that the GO had been 'disbanded' the truth was that it was really nothing more than a name change. The same people were running the group. We had the same offices. We had the same policies."

Please – help bring these matters to light and protect possible future victims. Mail your recollections as quickly as possible to:
Scientology Investigation, c/o F.A.C.T.Net, Inc.,
601 16th. C-217, Golden, Colorado 80403, U.S.A.

To learn about a dial-up computer library resource with an extensive database of information about human rights abuses caused by systems of coercive psychological manipulation, please send a self addressed envelope with 58 cents in postage, to F.A.C.T.Net, Inc., 601 16th St. #C-217, Golden, CO 80403, U.S.A.

HOW COULD REPORTS OF SUICIDE AND
 PSYCHOSIS BE FACTUAL AND HIDDEN SO LONG?

Scientology's security isolation and control of nega-

F.A.C.T.

Fight Against Coercive Tactics, Inc.
601 16th St. #C-217 Golden, Colorado 80401, U.S.A.
Phone (303) 650-3650

**because no one
has the right
to control
your
mind**

A NONPROFIT
COMPUTER BULLETIN BOARD

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¹ Information in this document is subject to future amendment relevant to necessary legal considerations or IRS 501(c)(3) nonprofit status interpretations or rulings.

F.A.C.T.'S Scientology Document Libraries

F.A.C.T.'S Scientology document library will contain information in several categories.

Legal Libraries

A complete electronic legal library will contain civil and criminal legal cases in the U.S. and internationally having to do with Scientology and its abuses. This legal library now includes or soon will have subsections containing:

- Complete published legal decisions rather than just summaries:
- Complete copies of all or most briefs in legal cases where major victories or precedents were set against Scientology:
- Witness, victim, and expert declarations and affidavits (including location and availability of originals):
- Copies of key evidence submissions (including location and availability of originals):
- Complete briefs, declarations, affidavits, and arguments from Scientology's opposition in the legal cases:
(Scientology seems to reuse the same legal arguments. Having the complete arguments and counterarguments will assist victims' attorneys to keep legal

research costs down and predict Scientology's next moves with high reliability.)

- Findings published by national and international government investigations and agencies about Scientology:
- Evidentiary exhibits from other government and related private investigations that could be used in a court of law:
- A list of legal and government resources which can handle and/or have handled Scientology cases successfully:
- A master list of every suit or complaint ever filed relating to Scientology and clearly labeled whether it was dismissed, dropped, settled, in progress, or decided:
- A successful actions library that will contain the advice of those individuals who have successfully dealt with Scientology whether it was in the courts, in the media, or in their personal situations:
(People having problems with Scientology could read these highly personalized documents and better know what they were getting into and the proven best ways to deal with it. These success write-ups will contain everything from how the organization behaves in

Media Libraries

A complete library of media and public relations coverage of Scientology will include:

- Magazine articles:
- Newspaper articles:
- Transcriptions of nonfiction TV programs, films and radio shows concerning Scientology:
- Nonfiction books about Scientology:
- A public relations library of downloadable or fax-on-demand press releases, articles and short flyers related to education on the subject that can be used to quickly bring someone up to speed or jump-start PR departments, reporters, and freelance writers who have story ideas:
- A list of writers, reporters, PR professionals, and other media professionals who have provided educational or news coverage relating to this subject:

As a special subsection of the media library, we will maintain searchable hard copy archives of all the promotional and media materials that Scientology uses. This will allow us to search and identify this organization's current and past membership and management and their organizational

histories. It can also provide key strategic documentation of individual or organization activities as described by their own promotional literature. For example, these lists might be used by lawyers, prosecutors, or public relations people to identify undercover Scientology operatives trying to infiltrate or sabotage a case or position.

court to how to deal with harassment successfully. This will include the history of Scientology settlement strategies, particularly the amounts of past known settlements and current settlement offers.)

- A compilation library of the history of complaints involving Scientology filed with professional associations like the American Medical Association and the Better Business Bureau as well as with government consumer protection agencies:
(Some organizations will not let us copy their complaints but may allow summarization as to quantity and content for research purposes.)
- A library that focuses specifically on cases or investigations involving abuse of children, custody cases, and other legal family issues relating to abuse by Scientology; and
(All successful ethical tactics used to reunite families and get children out of the coercive environment will be shared.)
- A library that tracks Scientology's alleged attempts to alter documents and secretly change its court positions and statements from jurisdiction to jurisdiction.

Professional Studies

F.A.C.T.'s database will contain professional medical, sociological, psychological, theological and psychiatric studies and journals from the U.S. and internationally having to do with Scientology and its abuses. This library will include:

- A list of professional journals and other professional sources which have articles related to Scientology's use of coercive psychological systems, and
- A list of professional assistance and support resources from the various professions mentioned above who can handle and/or have handled these types of education, recovery, or expert witness situations successfully.

WHAT IS F.A.C.T.'S BUSINESS PLAN?

(a Summary)

F.A.C.T.'s business plan is constructed around a three-phase growth model. This model is flexible and will evolve with more detail as conditions or better suggestions indicate.

PHASE 1

Phase 1 will run from fall, 1993 to spring, 1994. In this phase, F.A.C.T.'s pilot BBS will be used by and accessible only to those pre-screened individuals and organizations authorized to assist with or participate in F.A.C.T.'s private and secure final beta site testing. The goal of Phase 1 is to set up, test and debug all BBS equipment, software, security systems and organizational policies before we go on-line with our first public in Phase 2.

Before the end of Phase 1, the decision will be made whether to set up F.A.C.T.'S international headquarters and main BBS in the United States or in Denmark. Danish law may allow F.A.C.T. to avoid some legal and insurance problems and costs that could arise

if the BBS and the organization were headquartered in the United States or in a country with laws similar to those of the United States.

PHASE 2

Phase 2 will run from spring, 1994 until late 1994 or early 1995. Phase 2 is dedicated to establishing *FactNet*'s connections.

FactNet will be an economical global communications network and centralized BBS for a loosely knit network of almost 400 nonprofit organizations that are not now set up to be electronic networking, electronic communications, and electronic service organizations. These organizations, located worldwide, are already working, each in its own specialty, in related areas of exposing, monitoring and fighting coercive psychological systems. During Phase 2 F.A.C.T. will develop and add additional database libraries. It will test library access, news, mail and other cooperative support

services for and with these "sister" organizations.

In Phase 2, F.A.C.T. will connect to the InterNet, the world's largest global information "highway." This will give all organizations using F.A.C.T. access to the InterNet's more than 14,000 "member" computer networks and an estimated 10+ million users.

In addition to the InterNet connection, F.A.C.T. will have its own X-25 SprintNet connection which will allow users to call F.A.C.T. directly from most major U.S. and international cities on a local line with only a small service charge. For example, from most cities in the U.S. the charges would run from about \$3.50/hr during off times to about \$7.50/hr during prime business hours. This is only a fraction of Wats or other normal long distance costs.

In Phase 2, F.A.C.T. will work with participating organizations on service revenue sharing activities such as materials lending, and on cooperative fund raising. F.A.C.T. will help scan and index the general-subject and group-specific archives that each group has accumulated in its own area.

PHASE 3

Phase 3 will begin in late 1994 or early 1995. Its focus is to market the approximately 400-organization network's and F.A.C.T.'s services directly to the public. In Phase 3, F.A.C.T. and its associated network of organizations will take on more of the high visibility Amnesty International type PR, activist and social education functions.

If F.A.C.T. was on-line now, using the networking methods described, it would be available to the estimated 30 million global computer users already hooked up to computer networks. That number is expected to double in just a few years.

THE BEGINNING

The first information to become available on-line through F.A.C.T.'s libraries will be public domain documents relating to coercive psychological systems, such as professional studies and research, court cases and legal documents, media stories, and government investigations and findings.

To do the most good for the most victims (and potential future victims) in the fastest possible time, and to become known and credible as a resource in this field, F.A.C.T. must focus on issues that are important and widely publicized and about which it has expertise.

As F.A.C.T. begins, the criteria for the groups it will first consider are group that are:

- widely recognized as users of coercive psychological systems,
- widely reported in the media and topics of public discourse,
- of interest to governmental and other legitimate investigatory bodies, and
- ones that F.A.C.T. personnel or volunteers are qualified to address.

Groups that meet these criteria include:

- the Branch Davidians of Waco
- Scientology
- the Children of God

Scientology is widely regarded by experts as the most dangerous and destructive of the groups currently using coercive psychological systems. It is also the group which F.A.C.T.'s current personnel know best from firsthand experience. For these reasons the first large body of information in F.A.C.T.'s database inevitably will be what we have already accumulated about Scientology.

We start from what we know, but this does not mean that F.A.C.T.'s interest is confined to or focused upon Scientology or any other group. Our concern is the danger to human rights posed by coercive psychological systems in whatever context they may appear.

Information on other groups using coercive psychological systems will be added to the BBS as it is made available to us and as leaders come forward with the needed expertise about other groups.

PROOF OF SERVICE

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

I am employed in the County of Los Angeles, State of California. I am over the age of eighteen (18) years and not a party to the within action. My business address is 6255 Sunset Blvd., Suite 2000, Hollywood, California 90028.

On February 10, 1994, I served the foregoing document described as NOTICE OF MOTION AND MOTION TO VACATE STAY OF TRIAL PROCEEDINGS: MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT THEREOF on the following party by

- [] placing the true copies thereof in sealed envelopes as stated on the attached mailing list;
- [X] placing [] the original [X] a true copy thereof in sealed envelopes addressed as follows:

Ford Greene
Hub Law Offices
711 Sir Francis Drake Blvd.
San Anselmo, California 94960-1949

Paul Morantz
P.O. Box 511
Pacific Palisades, CA 90272

- [X] BY MAIL
- [] I deposited such envelope in the mail at Los Angeles, California. The envelope was mailed with postage thereon fully prepaid.
- [X] As follows: I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with U.S. postal service on that same day with postage thereon fully prepaid at Los Angeles, California in the ordinary course of business. I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

Executed on February 10, 1994, at Los Angeles, California.

- [X] (State) I declare under penalty of the laws of the State of California that the above is true and correct.

Type or Print Name

Signature